

Author (full names): Nicola Pontara

Title of thesis: A Critical Examination of Theoretical and Methodological Approaches to
Low-income Country Labour Markets: A Case Study of Mauritania

Degree: Ph. D ~~in Economics~~

This dissertation evaluates the dominant theoretical and methodological approaches to the conceptualisation of the labour market in low-income countries, with particular attention paid to rural areas and to Africa. Using the example of Mauritania, it shows that these are inadequate. The work conducted contends that neo-classical paradigms are ill-equipped to capture the salient characteristics of rural 'change' and labour markets in Africa; and argues that a new theoretical and methodological approach towards employment should be at the core of economic and social policies. This thesis applies an analytical framework that draws from classical political economy. In this approach, employment is more important in the reduction of poverty than usually recognised. In particular, it is maintained that policies geared at generating sustainable and productive employment should be more firmly at the core of policy making in Mauritania. Methodological lessons are also presented in this dissertation. It is argued in particular that labour market analyses that rely on tools such as living standard measurement surveys systematically underestimate the true extent of labour market participation in rural Africa. By contrast, micro-surveys that utilise a mix of quantitative and qualitative methods are able to capture the complexity of labour markets and measure their vibrancy and significance for poverty reduction, notably in contexts characterised by heterogeneity and differentiation rather than homogeneity and equality. These points are discussed in detail when comparing the results of the 2004 national household survey (EPCV) with those of a micro-survey which focusing on selected village labour markets (RLMS). This work concludes by summarising the advantages of using a political economy framework in the analysis of rural 'change' through the lens of the labour market; the main methodological lessons for designing sound labour market research tools; and policy implications for the generation of decent and sustainable employment opportunities in (rural) Mauritania.

ProQuest Number: 10673022

All rights reserved

INFORMATION TO ALL USERS

The quality of this reproduction is dependent upon the quality of the copy submitted.

In the unlikely event that the author did not send a complete manuscript and there are missing pages, these will be noted. Also, if material had to be removed, a note will indicate the deletion.



ProQuest 10673022

Published by ProQuest LLC (2017). Copyright of the Dissertation is held by the Author.

All rights reserved.

This work is protected against unauthorized copying under Title 17, United States Code
Microform Edition © ProQuest LLC.

ProQuest LLC.
789 East Eisenhower Parkway
P.O. Box 1346
Ann Arbor, MI 48106 – 1346

Thesis 293~~1~~ 2

A Critical Examination of Theoretical and
Methodological Approaches to Low-income
Country Labour Markets: A Case Study of
Mauritania

Ph.D. Thesis

Nicola Pontara

January 2010

Thesis Submitted for the Degree of Doctor of Philosophy in
Economics

School of Oriental and African Studies (SOAS)

University of London

DECLARATION

I certify that this thesis, which is submitted for examination for the degree of Doctor in Philosophy in Economics, is solely my own. Details on data sources and attributions are presented on page 12.

Nicola Pontara

ABSTRACT

This dissertation evaluates the dominant theoretical and methodological approaches to the conceptualisation of the labour market in low-income countries, with particular attention paid to rural areas and to Africa. Using the example of Mauritania, it shows that these are inadequate. The work conducted contends that neo-classical paradigms are ill-equipped to capture the salient characteristics of rural 'change' and labour markets in Africa; and argues that a new theoretical and methodological approach towards employment should be at the core of economic and social policies. This thesis applies an analytical framework that draws from classical political economy. In this approach, employment is more important in the reduction of poverty than usually recognised. In particular, it is maintained that policies geared at generating sustainable and productive employment should be more firmly at the core of policy making in Mauritania. Methodological lessons are also presented in this dissertation. It is argued in particular that labour market analyses that rely on tools such as living standard measurement surveys systematically underestimate the true extent of labour market participation in rural Africa. By contrast, micro-surveys that utilise a mix of quantitative and qualitative methods are able to capture the complexity of labour markets and measure their vibrancy and significance for poverty reduction, notably in contexts characterised by heterogeneity and differentiation rather than homogeneity and equality. These points are discussed in detail when comparing the results of the 2004 national household survey (EPCV) with those of a micro-survey which focusing on selected village labour markets (RLMS). This work concludes by summarising the advantages of using a political economy framework in the analysis of rural 'change' through the lens of the labour market; the main methodological lessons for designing sound labour market research tools; and policy implications for the generation of decent and sustainable employment opportunities in (rural) Mauritania.

TABLE OF CONTENTS

INTRODUCTION.....	13
I. MAIN OBJECTIVES AND THEMES OF THE THESIS	13
II. STRUCTURE OF THE THESIS	19
CHAPTER 1: TOWARDS AN ANALYTICAL FRAMEWORK FOR THE ANALYSIS OF RURAL POVERTY REDUCTION IN LOW-INCOME COUNTRIES	21
1.1 INTRODUCTION	21
1.2 PARADIGM SHIFTS IN RURAL DEVELOPMENT THINKING (1950-2000).....	22
1.3 LIVELIHOOD FRAMEWORKS: IDEOLOGICAL MASKS OR USEFUL ANALYTICAL TOOLS?	38
1.4 AN ALTERNATIVE FRAMEWORK FOR THE ANALYSIS OF RURAL CHANGE.....	44
CHAPTER 2: THE IDENTIFICATION OF THE RURAL POOR AND EVIDENCE ON THE VITALITY OF LABOUR MARKETS IN AFRICA.....	51
2.1 INTRODUCTION	51
2.2 THE NATURE OF RURAL POVERTY IN AFRICA AND CONTEMPORARY NARRATIVES	52
2.3 EMPIRICAL EVIDENCE ON RURAL LABOUR MARKETS IN AFRICA	62
CHAPTER 3: LABOUR MARKET THEORY AND ITS APPLICATION TO THE CONTEXT OF LOW-INCOME COUNTRIES	75
3.1 INTRODUCTION	75
3.2 ORTHODOX LABOUR MARKET THEORY	76
3.3 TOWARDS A RADICAL POLITICAL ECONOMY FRAMEWORK	90
CHAPTER 4: THE LABOUR MARKET DISCOURSE AND THE POLITICAL ECONOMY OF MAURITANIA.....	103
4.1 INTRODUCTION	103
4.2 THE MAURITANIAN ECONOMY AND THE LABOUR MARKET CHALLENGE	104
4.3 FROM PRE-COLONIAL TIMES TO THE DEMISE OF THE SECOND REPUBLIC	113
4.4 RACE, POLITICS AND THE UNRESOLVED "QUESTION NATIONALE"	124
CHAPTER 5: METHODOLOGICAL ISSUES IN LABOUR MARKET RESEARCH AND DATA SOURCES	131
5.1 INTRODUCTION	131
5.2 METHODOLOGICAL ISSUES: REPRESENTATIVENESS AND SAMPLING TECHNIQUES	132
5.3 DEFINITIONAL PROBLEMS ASSOCIATED WITH LABOUR MARKET RESEARCH	139
5.4 CHARACTERISTICS OF THE 2004 ECPV AND 2004 RLMS.....	143

CHAPTER 6: AN ANALYSIS OF THE MAURITANIAN LABOUR MARKET THROUGH THE LENS OF THE 2004 NATIONAL HOUSEHOLD SURVEY	155
6.1 INTRODUCTION	155
6.2 THE MAURITANIAN LABOUR MARKET ACCORDING TO THE EPCV 2004 DATA	156
6.3 EMPLOYMENT PATTERNS AND SOCIO-ECONOMIC STATUS.....	167
6.4 LABOUR MARKET ANALYSIS: SPECIAL ISSUES.....	177
CHAPTER 7: VILLAGE LABOUR MARKETS THROUGH THE LENS OF 2004 RURAL LABOUR MARKET STUDY	193
7.1 INTRODUCTION	193
7.2 CONCEPTUALISING AND MEASURING EMPLOYMENT AT THE VILLAGE LEVEL.....	194
7.3 PATTERNS OF LABOUR HIRING, DIVERSIFICATION AND SEASONALITY	199
7.4 HOUSEHOLDS, SOCIAL CLASSES AND POVERTY.....	207
7.5 WAGE-EMPLOYMENT, BARRIERS TO ENTRY AND SEGMENTATION	211
7.6 SUMMARY OF FINDINGS AND IMPLICATIONS FOR FURTHER ANALYSIS	217
CONCLUSIONS: THEORETICAL AND METHODOLOGICAL LESSONS AND POLICY IMPLICATIONS.....	222
I. BACK TO CLASSICAL POLITICAL ECONOMY	224
II. DESIGN OF SOUND RESEARCH TOOLS FOR LABOUR MARKET ANALYSIS.....	228
III. POLICY LESSONS: CREATING DECENT EMPLOYMENT IN MAURITANIA	231
APPENDIX 1. LABOUR MARKET DEFINITIONS (EPCV).....	234
APPENDIX 2. ADDITIONAL TABLES.....	235
APPENDIX 3. MAP OF MAURITANIA	240
REFERENCES	241

ABBREVIATIONS AND ACRONYMS

CMJD	Military Council for Justice and Democracy
CWIQ	Core Welfare Indicators Questionnaire
OE	Edebay Ould Egueile
EPCV	National Household Survey (2004)
EV	El Vieja
GDM	Grandes Domaines de Mauritanie
GIRM	Government of the Islamic Republic of Mauritania
KM	Keur Moúr
LSMS	Living Standard Measurement Surveys
LICs	Low-income countries
MDG	Millennium Development Goals
MRO	Mauritania Ouguiya
NGO	Non-governmental Organisations
ONS	National Statistical Office
PRA	Participatory Rural Appraisal
PRSP	Poverty Reduction Strategy Paper
PSU	Primary Sampling Units
PWC	Post Washington Consensus
RLMS	Rural Labour Market Study
RNFE	Rural Non-farm Employment
SAPs	Structural Adjustment Policies
SME	Small and Medium Enterprises
TVET	Technical and Vocational Education and Training
WC	Washington Consensus
WDR	World Development Report

LIST OF TABLES

Table 1.1 Dominant and Sequential Themes in Rural Development (1950-2000)	23
Table 2.1 Rural Poverty and Rural Production: Questions, Answers, and Associations	62
Table 2.2 Forms of Labour Exchange in Rural Africa	65
Table 2.3 Rural Employment by Sectoral Activity in Sub-Saharan Africa	68
Table 4.1 Incidence of Poverty and Relative Contribution by Region (2000-2004)	105
Table 5.1 Synthesis of Qualitative and Quantitative Methods, RLMS	152
Table 6.1 Main Labour Market Indicators: Comparison with Neighbouring Countries, EPCV	156
Table 6.2 Empl.-to-Population by Poverty Status, Gender, Living Area and Age Group, EPCV	157
Table 6.3 Unemployment Rate by Poverty Status, Gender, Living Area, Age Group, EPCV	158
Table 6.4 Non-Participation Rate by Poverty Status, Gender, Living Area, and Age Group, EPCV	160
Table 6.5 Mauritania: Summary of Main Labour Market Indicators, EPCV	166
Table 6.6 Types of employment and Poverty, EPCV	170
Table 6.7 Education Level by Gender, EPCV	177
Table 6.8 Main Labour Market Indicators by Gender and Education, EPCV	178
Table 6.9 Main Labour Market Indicators in Rural Areas, by Gender, EPCV	179
Table 6.10 Out of the Labour Force: Motives for Women in Rural Areas, EPCV	179
Table 6.11 Rural Labour Force Participation by Gender and Family Status, EPCV	180
Table 6.12 Sector of Employment: Females in Rural Areas, EPCV	182
Table 6.13 Sector of Employment: Males in Rural Areas, EPCV	182
Table 6.14 Main Labour Market Indicators in Urban Areas, EPCV	183
Table 6.15 Out of the Labour Force: Motives for Women in Urban Areas, EPCV	183
Table 6.16 Urban Labour Force Participation by Gender and Family Status, EPCV	184
Table 6.17 Sector of Employment: Females in Urban Areas, EPCV	186
Table 6.18 Sector of Employment: Males in Urban Areas, EPCV	186
Table 6.19 Self-Employed: Monthly Earnings by Living Area and Gender, EPCV	187
Table 6.20 Self-Employed: Monthly Earnings by Gender and Education, EPCV	187
Table 6.21 Wage Earners: Monthly Earnings, by Living Area, Gender, Type of Employer, EPCV	188
Table 6.22 Wage Earners: Econometric Estimates of Wage Determinants, EPCV	189
Table 7.1 Main Labour Market Indicators, RLMS (Closed Questions) and EPCV (Rural)	194
Table 7.2 Remunerated Activities, RLMS (Closed Questions)	195
Table 7.3 Principal Activity, RLMS (Open Questions)	196
Table 7.4 Summary of Main Labour Market Indicators, RLMS (Open Questions)	197
Table 7.5 Hiring in and out of Labour and Work Parties (Twice), RLMS (Household Level)	201

Table 7.6 Sample of Active Workers, RLMS (Individual Level)	203
Table 7.7 Type of Activity, RLMS (Individual Level)	206
Table 7.8 Employment and Socio-economic Status, RLMS (Qualitative Tools)	207
Table 7.9 Household Classes in the Surveyed Villages, RLMS	209
Table 7.10 Social Class and Poverty, RLMS	210
Table 7.11 Employment and Demographic Characteristics by Social Class	211
Table 7.12 Employment Type in the last 12 Months by Sector and Gender, RLMS	212
Table 7.13 Number of Employers during the last 12 Months, RLMS	214
Table 7.14 Payment Modality for Agricultural Wage Labour, by Village, RLMS	215
Table 7.15 Type of Payment and Amount Paid by Village, Agricultural Wage Labour, RLMS	216
Table A. Reasons for Not Participating in the Labour Force, EPCV	235
Table B. Out of the Labour Force – Motives by Gender and Living Area, EPCV	235
Table C. Education by Age Group, EPCV	235
Table D. Education and Poverty, EPCV	236
Table E. Main Labour Market Indicators by Region, EPCV	236
Table F. Repartition of the Employed Population by Sector of Activity and Gender (2004)	236
Table G. Non-Participation Rate by Gender, Living Area, and Age Group, EPCV	237
Table H. Reasons for Not Participating in the Labour Force by Gender and Living Area, EPCV	237
Table I. Rural Females Out of the Labour Force: Motives by Age Group and Poverty Status, EPCV	237
Table J. Self-Employed: Monthly Earnings and Poverty, EPCV	238
Table K. Breakdown of Employed Rural Population by Employment Type and Status	238
Table L. Combination of Occupations per Village, RLMS (Individual Level)	238
Table M. Civil Status and Participation in Wage Employment, RLMS	239
Table N. Real GDP by Sector, 1995-2008	239

LIST OF FIGURES

Figure 1.1 The Asset Pentagon	32
Figure 3.1 Partial Equilibrium Presentation of the Labour Market	77
Figure 3.2 Capital Labour Substitution in a One Commodity Economy	93
Figure 3.3 Capital Labour Substitution in a Two Commodity Economy	94
Figure 6.1 Main Labour Market Indicators by Education Level, EPCV	161
Figure 6.2 Main Labour Market Indicators by Education and Poverty Status, EPCV	162
Figure 6.3 Sectors of Employment, Relative importance, EPCV	168
Figure 6.4 Sectors of Employment by Poverty Status, EPCV	168
Figure 6.5 Types of Employment and Employer, EPCV	169
Figure 6.6 Types of Employment and Employer by Poverty Status, EPCV	171
Figure 6.7 Types of Employment and Employer by Poverty Status in Rural Areas, EPCV	172
Figure 6.8 Types of Employment and Employer by Poverty Status in Urban Areas, EPCV	172
Figure 6.9 Types of Employment and Education, EPCV	173
Figure 6.10 Types of Employment and Education by Poverty Status, EPCV	174
Figure 6.11 Types of Employment in Rural Areas by Gender, EPCV	181
Figure 6.12 Types of Employment in Urban Areas by Gender, EPCV	185
Figure 7.1 Incidence of Wage Labour in Agriculture at the Household Level, RLMS	201
Figure 7.2 Socioeconomic Status of Households that Hire in and out Labour in Agriculture, RLMS	202
Figure 7.3 Number of Activities and Days Worked by Village and Gender, RLMS (Ind. Level)	204
Figure 7.4 Seasonality, Overall and by Village, All Activities, RLMS	205

ACKNOWLEDGEMENTS

I am indebted to many people, who over the years have helped me in various ways to complete this work. I would like to thank first and foremost John Sender – my original supervisor – and Christopher Cramer, Carlos Oya and Deborah Johnston at SOAS for patiently discussing, reading and making comments on different sections of this dissertation. I am deeply grateful to Alessandro Magnoli-Bocchi and Boris Samuel for their friendship, encouragement and engagement during my frequent visits to Nouakchott and while in Washington DC. I would also like to thank the Mauritanian authorities, and notably the National Institute of Statistics, for graciously making available the full dataset of the 2004 national household survey. I would like to dedicate this work to my parents, Maria Vittoria and Silvano, and my children Esther, Ruben and Elias, for their love and support.

QUOTES

“He, who begins a conversation, does not foresee the end...”

Mauritanian Proverb

DATA SOURCES AND ATTRIBUTIONS

I wrote this thesis while working at the World Bank. The discussion in Chapter 4, on the political economy on Mauritania, draws from research conducted by Professor Richard Auty and myself. The findings of that research have been presented in full in Auty and Pontara (2008) and also contributed to the elaboration of the 2006 Mauritania Country Economic Memorandum. I was the task-team leader (TTL) for that project. In this dissertation, the material is used in an original and different way from the above publications, as it relates to the analysis of the Mauritanian labour market rather than to issues pertaining to rent seeking in the extractive industries.

The analysis of the labour market based on the employment section of the 2004 National Household Survey (EPCV) was commissioned by the World Bank to a consultant, Tania Rajadel. I was the TTL for that project. The results of the analysis have been presented in full in Rajadel, Pontara and Sanchez-Puerta (2009). Chapter 6 of this thesis draws from that paper and *reproduces* several tables, but utilises the material in an original way. First, it critically examines the EPCV results against: the theoretical and methodological discussion conducted in Chapters 1 and 3; and the empirical evidence of the vitality of labour markets in Africa, surveyed in Chapter 2. Second, it compares them with the evidence emerging from the 2004 Rural Labour Market Study (RLMS), a micro-survey.

The RLMS was commissioned by the Government of Islamic Republic of Mauritania (GIRM), through a World Bank PRSP grant, to UK-based researchers. I was the TTL for that grant and participated in the design of the project but not in the fieldwork (I did have access to fieldwork notes though). The analysis conducted in Chapter 7 summarises and critically examines the findings of the resulting joint report (GIRM and World Bank 2007), *adapting* several of its tables and figures. The discussion conducted in that chapter constitutes an original contribution to the discourse on labour markets in Mauritania, as it represents the first attempt to compare micro-evidence with the results of a large, statistically representative survey, such as the EPCV.

INTRODUCTION

I. MAIN OBJECTIVES AND THEMES OF THE THESIS

This dissertation will evaluate the dominant theoretical and methodological approaches to the conceptualisation of the labour market in low-income countries (LICs), with particular attention paid to rural areas and to Africa.¹ Using the example of Mauritania, it will show that these are inadequate. The dissertation will apply an analytical framework that draws from the classical political economy tradition. It will contend that neo-classical paradigms are ill-equipped to capture the salient characteristics of rural 'change' and labour markets in Africa. It will be argued here that a new theoretical and methodological approach towards employment should be at the core of economic and social policies. In this approach, employment is more important in the reduction of poverty than generally recognised.

The motivation for conducting this work stems from a variety of factors. First, there is little information on rural labour markets in the African context: most researchers tend to steer clear of this topic, and the existing labour market research is overwhelmingly concerned with urban areas. Some commentators who engage in this area of study, moreover, maintain that in Africa – and especially in semi-arid areas – labour markets are either absent or very thin; and that wage labour in particular is negligible. They also argue that where labour markets in rural areas do exist they reflect only a form of labour aristocracy and, therefore, cannot be relevant to poverty reduction. Overall, the existing empirical evidence has a tendency to underestimate the true extent of (rural) employment. It will be argued that this phenomenon is due the application of both theoretical frameworks and research methodologies that are not well equipped to capture labour

¹ In reality, Chapter 6 examines the results of the EPCV with respect to both urban and rural areas. However, the bulk of the work conducted concerns more predominantly the rural labour market in Mauritania. Also, Mauritania is considered as a 'natural bridge' between North Africa and sub-Saharan Africa. Hence, the term Africa will be mostly used in this thesis, unless otherwise specified.

market participation in contexts where heterogeneity and differentiation, rather than homogeneity and equality, are the most relevant variables at play. The net result is that, in the policy arena, the debate on the constraints on and the opportunities for expanding wage labour demand, the levels of real wages paid out, the prevailing working conditions, and so on, tend to be squeezed out. This result is disappointing and represents a missed opportunity, given that most of the poor in Africa live in rural areas (World Bank 2007) and that the functioning of rural labour markets – both in the farm and non-farm sectors – is critical for the success of policies aimed at promoting pro-poor growth.

The motivation for conducting work on the labour market also stems from the belief that far more emphasis needs to be placed on the creation of decent jobs in Africa. There is little practical advice on how to do so in the specialised literature, which is overwhelmingly concerned with macro-economic approaches to labour market policy (especially in urban context) or abstract micro-modelling of labour market dynamics.² Despite the rhetoric of international organizations and national government alike³, in many African countries the domestic debates on employment generation remain sporadic, weak and supported by labour market data of dubious quality. By way of example, out of the 21 full Poverty Reduction Strategy Papers (PRSPs) produced in Africa, only Tanzania's displays medium-high employment content (Nkurunziza, 2008). This phenomenon is worrying, as especially in poorer countries domestic job creation seems the only viable option to dramatically reduce poverty. As Fields notes (Fields 2007:24):

“People can be lifted out of poverty in a variety of ways: by consuming socially provided goods and services, by receiving transfers from family members, by moving to countries in which their labour would be better rewarded, or by earning their way out of poverty in the countries in which they live. In regards to social services, [...], the governments of low-income countries are too poor to be able to

² Yet, even at the ‘macro’ level, Paci and Serneels (2007) argue that despite the much-trumpeted importance of labour market structures and outcomes for growth, the analytical work on this relationship remains limited and heavily biased towards high-income countries. The existing work on growth and poverty leaves the role of employment in transmission process largely unexplored, and remains outside mainstream labour economics.

³ In 2005, the UN World Summit focused on reaching full and productive employment and decent work for all, in the context of achieving the first Millennium Development Goal (MDG) to cut poverty in half by 2015 (Ocampo 2007).

make a significant dent in poverty by the social services route alone. As for transfers, when most around you are poor, private transfers are likely to be modest indeed. With respect to migration, countries in which labour earnings are higher do not exactly welcome the tired, poor and the huddled masses yearning to breathe free [...]. That leaves the creation of more and better earning opportunities [through jobs] for the poor as the only other available route out of poverty."

As will be argued in this dissertation, Mauritania does not constitute an exception in the African landscape. Its PRSPs have low employment content. The attention paid by the Mauritanian authorities in recent years to the creation of decent employment, as a major route out of poverty, has been insufficient. The topic of employment generation has been remarkably absent from the heated domestic economic and political debates in recent years. The latter have tended to focus on the still unresolved 'national question' between the country's various ethno-cultural groups, such as, *inter alia*, the choice of national language, access to land in the rural south, and political representation. Yet, even if a window of opportunity opened up to put employment generation at the core of the policy agenda, the tasks of policy makers would be a difficult one. There is paucity of information on the labour market; and the existing data are unreliable, and overwhelmingly biased towards the urban enumerated sector and the 'upper-tier' of the informal sector. A further element motivating this work, therefore, is the desire to offer some new, fresh empirical evidence on the labour markets of Mauritania. It is hoped that the analysis conducted in this dissertation can provide a knowledge base on which policy makers can draw upon, and build on, to formulate policies geared at lifting people out of poverty through domestic job creation.

This dissertation will focus on theory and methodology, as well as on empirical and applied elements. Concerning *theory and methodology* (Chapters 1, 3, 5), this thesis will attempt to locate the labour market discourse in an overarching analytical framework that draws from the classical political economy school, notably those strands concerned with

analysing 'change' in the rural areas of LICs.⁴ The contemporary discourse on growth and poverty eradication in low income countries is still firmly rooted in the rural realm, given that the bulk of the poor are thought to be therein concentrated (World Bank Ibid. 2007). Hence, locating the labour market discourse in the field of rural development theory and practice seems particularly relevant. Rural development thinking is still very much dominated by neo-classical orthodoxy. Moreover, those frameworks that are thought by some commentators to be better equipped to analyse rural change in poorer countries, such as sustainable livelihood approaches (SLAs), are merely permutations of neo-classical paradigms based on the familiar trinity of resources, transformation and preferences. It will be argued that patterns of accumulation (in richer rural households) and survival strategies (in poorer rural households) cannot be adequately addressed by more or less sophisticated neo-classical frameworks, given the assumptions made and the questions posed. Under such approaches, albeit to varying degrees, the social dimension is reduced to self-interested rational choice in response to market signals, imperfections and risk. By contrast, it will be contended that individual choices are socially determined and take place in specific geographical and historical contexts. Instead of rational decision-making, therefore, it makes more sense to talk about dynamics that are historically and spatially defined and respond to particular processes of social formation, differentiation and accumulation in the long term. The proposed framework, which draws from classical political economy, allows for the analysis of the reproduction of different modes of production, including their specific forms of surplus generation, appropriation and distribution (Byres 1996).

The same set of considerations will be applied to labour market theory, which, it will be argued, has also been 'colonised' by the neo-classical orthodoxy (Fine 2002). This thesis will maintain that the neo-classical (partial equilibrium) representation of the labour market is only relevant for the special, unrealistic, case where the economy produces only one output. Applied to the context of LICs, moreover, modifications to the mainstream frameworks have been made by introducing market imperfections. In particular, the main theories that have been put forward to explain the functioning of the (rural) labour markets

⁴ 'Change' here broadly refers to the characteristics of accumulation, social differentiation and poverty reduction.

of LICs have attempted to explain the persistence of open unemployment and underemployment in poor, largely agrarian economies; and the intensive use of labour on family farms in the presence of positive wages. As traditional neo-classical theory has run into difficulties to treat these empirical observations, a host of alternative theoretical frameworks have been proposed. Such frameworks – which attempt to factor in explicitly market imperfections – continue to perceive the ‘peculiarities’ of employment as specific examples of market rigidity and inelasticity of price-quantity relationships. Hence, in the specialized literature, such peculiarities are treated independently, econometrically tested, seeking validation of theory on the basis of limited statistical ground. It will be argued that neo-classical frameworks, and in particular the notion of labour market equilibrium, are ill-suited to the analysis of labour markets in poor countries, notably in rural contexts. Labour markets cannot be examined in terms of equilibrium outcomes, where forces are assumed to operate more or less harmoniously and efficiently to grind out equilibrium levels of employment and associated working conditions. Rather, this thesis will contend that labour markets are differentiated from one another, and there exist empirically recognisable labour market segments. Labour markets are also internally structured in different ways. This means that labour market structures, relations and processes – attached to their reproduction and/or transformation – are peculiar to different labour markets, and crucially depend on the underlying socio-economic determinants. Hence, the analysis of labour market structures needs to incorporate such factors in an integral way. A framework that allows for the influence of various factors – rather than price variations alone – on the demand and supply conditions of labour will be proposed, drawing from classical political economy (Bharadwaj 1989, 1990; Fine 1996).

At the *applied level*, and concerning rural Africa and Mauritania in particular (Chapters 2, 4, 6, 7), this thesis argues that some of the current instruments applied by researchers in conducting labour market analysis are inadequate. In particular, it will be argued that most of the existing evidence on the vitality of labour markets in rural Africa tends to underestimate the volume of (wage) labour market exchanges, and, at the same time, the significance of employment for poverty reduction. This underestimation derives from the application of survey tools and methodologies that are not well equipped to capture the

true extent of labour market participation in poorer countries, and reflects a flawed interpretation of the main labour market concepts and indicators. It will be argued, in particular, that the employment sections of large-scale surveys, such as living standard measurement surveys (LSMS), are brief and aim at collecting data that can be used for international comparisons. Employment questionnaires typically use a short reference period (often one week) when asking about participation in the labour market.⁵ The aggregate nature of inquiry means that these surveys are unable to provide rich information on specific occupational categories in the un-enumerated sectors of the labour market in both urban and rural areas. Stated otherwise, these surveys are able to capture the formal segments of the urban and rural labour markets and, at best, the 'upper tier' of the informal sector in these areas. A further shortcoming of these surveys is that they do not benefit from the existence of qualitative modules and 'open' questions, where respondents are free to provide detailed information about their employment status (Sender, Cramer and Oya 2005). This dissertation will also discuss the definitional problems associated to labour market concepts and indicators – such as employment, unemployment, underemployment – which are commonly utilised in labour force surveys or in the employment questionnaires of LSMS. These definitional problems have significant empirical implications that, in turn, result in great variation and lack of consistency of labour market statistics across countries (Oya and Weeks 2004).

These points will be illustrated and further discussed by analysing and comparing the results that emerge from the EPCV (drawing from Rajadel et al. 2009), a large statistically-representative survey, and the RLMS (critically examining GIRM and World Bank 2007), which focuses on selected villages in Mauritania. It will be argued that the EPCV produces an overly aggregated picture of the Mauritanian labour market, underscoring the point that the employment sections of large, statistically representative surveys do not offer sufficient data to understand the nature and dynamics of labour markets, notably in poorer countries. In fact, the EPCV turns out to be un-representative of the labour market experience of

⁵ Sender et al. (2005) point out that even those surveys (e.g. India, Mozambique, and indeed Mauritania) that include a longer reference period to cover the whole agricultural season often fail to capture the heterogeneity of employment in rural areas, if not accompanied by open-ended questions where respondents are free to provide more detailed information than those collected through 'closed' questionnaires.

Mauritanians, notably for the poor which constitute nearly half of the population. The key results of the EPCV include some ‘expected’ patterns⁶: very low labour market participation rates for young adults and females; relatively high levels of unemployment, especially so amongst the poor; and a strong positive correlation between wealth and wage employment. Moreover, the EPCV portrays a remarkably similar picture of the main labour market indicators for both rural and urban areas and categorise most rural dwellers as wage-less self-employed. By contrast, the evidence that emerges from the RLMS (despite its limitations) will show that village labour markets are more dynamic than usually assumed in Mauritania. The main labour market indicators that are computed on the basis of the RLMS data, moreover, differ markedly from those derived (for rural areas as a whole) from the EPCV, pointing to markedly higher labour force participation rates and higher incidence of wage employment. In addition, the results of the RLMS point to a high degree of labour market segmentation along location, gender, and activity lines. The mix of qualitative and quantitative data obtained from the RLMS allows for the detection and discussion of significant social and economic barriers to entry for certain activities. The results also show substantial differences in the dynamism of local economies, and considerable (local) variations in terms of the types of activity carried out, and patterns of seasonality and labour migration.

II. STRUCTURE OF THE THESIS

This thesis is organized around 7 chapters, plus a concluding chapter, which are briefly summarised as follows.

Chapter 1 discusses the main paradigm shifts in rural development thinking since the 1950s; critically examines sustainable livelihoods approaches and discusses their main strengths and weaknesses; and proposes an alternative framework for the analysis of rural ‘change’ and labour markets, drawing from the classical political economy approach. Chapter 2 critically examines the discourse on rural poverty in Africa; reviews some

⁶ That is, expected from a survey that is capable to capture the enumerated sections of the labour market in both urban and rural areas.

dominant, contrasting narrative on the direction of African livelihoods; and surveys the available evidence on the existence of rural labour market in Africa and their significance for poverty reduction. Chapter 3 reviews the orthodox strands of labour market theory – including dualism, theories of wage determinations and labour use – and their application to the rural areas of poorer countries; and proposes an alternative interpretation of the labour market, which draws from the classical political economy school and can be used to discuss the formation of the labour market in poor, largely agrarian economies.

Chapter 4 reviews the discourse on the labour market in Mauritania; focuses on the key features of Mauritania's political and economic history; and discusses race, politics and the unresolved 'national question', which continues to prevent Mauritania from embarking on a stable political and economic path and continues to permeate labour market exchanges. Chapter 5 reviews the strengths and weaknesses of various sampling techniques; discusses the key definitional problems that affect commonly-applied labour market concepts and indicators; and discusses the main objectives and characteristics of the EPCV and RLMS.

Chapter 6 explores the results of the EPCV, focusing on: the main labour market indicators, including comparisons with neighbouring countries; employment patterns; and special issues, including gender discrimination in the labour market and wage determination for a number of categories and sectors of employment. Chapter 7 explore the results of the RLMS, focusing on: the key labour market indicators for the villages surveyed; patterns of labour hiring, diversification and seasonality; a socio-economic classification of households; and market segmentation and social barriers to entry for certain activities. The concluding chapter highlights the advantages of a political economy framework in the analysis of rural change through the lens of the labour market; focuses on the methodological lessons relating to the design of labour market research tools; and discusses the main policy lessons that emerge from the analysis conducted.

CHAPTER 1: TOWARDS AN ANALYTICAL FRAMEWORK FOR THE ANALYSIS OF RURAL POVERTY REDUCTION IN LOW-INCOME COUNTRIES

1.1 INTRODUCTION

The aim of this chapter is to critically review the main paradigm shifts in thinking on rural development in low-income countries (LICs) since the 1950s. This is done in order to better locate the (current) discourse on rural poverty reduction and the labour market. It is argued here that paradigms firmly rooted in the realm of neo-classical economics – such as the agricultural growth model based on the claim for the superior efficiency of small farms – are still dominant forces in the analysis of (rural) poverty reduction in LICs. In particular, this chapter critically examines the claim that sustainable livelihood approaches (SLAs) can offer a more dynamic understanding of household strategies and constitute a serious alternative to dominant strands. It will be argued, however, that SLAs are merely more diluted permutations of neo-classical general equilibrium models based on the trinity of resources, transformation and preferences. As such, they do not challenge in any fundamental way the neo-classical orthodoxy. This chapter contends that patterns of accumulation in richer households and survival in poorer households cannot be adequately addressed by the application of more or less sophisticated neo-classical frameworks, given the assumptions made and the questions posed. This chapter also proposes an alternative analytical framework for the analysis of rural ‘change’, which draws from the classical political economy tradition.

Section 1.2 discusses the main paradigm shifts in rural development thinking since the 1950s. Section 1.3 critically examines SLAs and discusses their main strengths and weaknesses. Section 1.4 proposes an alternative framework for the analysis of rural ‘change’ (poverty reduction and accumulation) and labour market, drawing from the classical political economy approach.

1.2 PARADIGM SHIFTS IN RURAL DEVELOPMENT THINKING (1950-2000)

As this thesis is mainly concerned with the labour market, why start with a review of rural development thinking in LICs? Such endeavour seems justified on a number of grounds. First of all, the (current) discourse on poverty reduction in LICs is still firmly rooted in the rural realm, given that the majority of the poor are thought to be therein concentrated. The recent attention to the emerging non-farm sector as a route out of poverty does not necessarily upset the centrality of the 'rural' in the specialized literature. Second, while there is some theoretical treatment of rural labour markets, most of the (recent) empirical evidence concerns mainly urban areas, especially in Africa. Third, the discourse on rural development often touches upon labour issues, whether one considers the dual economy theories of development (e.g. the 'shifting' labour force), the small vs. large farms debates (e.g. patterns of labour use), or more recent livelihood analyses (e.g. labour as an 'asset'). For these reasons, it is believed that surveying the main rural development theories is particularly relevant to situate the discourse on rural poverty reduction and the labour market, which is conducted in the remainder of this thesis.

The main ideas, dominant paradigms and popular rural development practices since the 1950s are summarised visually in Table 1.1. The aim here is not to be exhaustive, given the existence of an enormous body of literature, but to emphasize the dominance of neo-classical economics, and in particular the 'agricultural growth model based on the small-farm orthodoxy', in the analysis of poverty reduction in rural areas of LICs. Indeed, Ellis and Biggs (2001) maintain that the end of the small-farm model and therefore of small-scale agricultural growth as a main motor of development has not yet arrived. They argue that in the plane of mainstream and influential economic theories on the role of agriculture in growth and poverty reduction, the primacy of small-scale agriculture appears to roll on without serious challenge. The second aim is to understand whether SLAs constitute a valuable alternative to the dominant neo-classical orthodoxy. These approaches are thought to provide a challenge to the small-farm paradigm, while being compatible with bottom-up rural development, food-security and famine analyses (Ellis and Biggs, *Ibid.* 2001).

Table 1.1 Dominant and Sequential Themes in Rural Development (1950-2000)

Ideas	1950s	1960s	1970s	1980s	1990s	2000s
	Modernisation, Dual economy models, Backward agriculture, Lazy peasants	Transformation approach, Technology transfer, Mechanisation, Agricultural extension, Rational peasants, Green revolution (start)	Redistribution with growth, Basic needs, Integrated rural development, State-led agricultural policies, Urban bias, Rural growth linkage, Green revolution (cont.)	Structural adjustment, Free market, 'Getting prices right', Retreat of the state, Raise of the NGO, RRA, FRS, Poverty alleviation	Microcredit, PRA, Stakeholder analysis, Rural safety nets, Gender and development, Environment and sustainability, Poverty reduction	SLAs, Good governance, Decentralisation, SW Aps, Poverty eradication
Dominant Paradigms and Switches	Modernisation, Dual Economy					
	Raising yields on efficient small farms					
	Process, participation, empowerment					
Popular Rural Development Practices	Sustainable livelihoods approaches					
	Community development					
	Small-farm growth					
	Integrated rural development					
	Participation					
	PRPSs					

Source: Adapted from Ellis and Biggs (2001).

1.2.1 From 'Lazy' to 'Rational' Peasants: The Rise of Neo-classical Paradigms

After World War II, the study of the character of economic backwardness and the reasons for its perpetuation were the objects of the attention of a new sub-branch of economics, development economics. By analyzing these phenomena development economists, then as today, sought to find answers to help with the reduction and ultimately the eradication of poverty. Agriculture was central to the agenda, in the light of its size in the gross domestic product (GDP) of developing countries and the high proportion of the working population therein engaged. The prevailing idea was that economic backwardness and the bulk of poverty were located in stagnating agricultural sectors (Byres 2006).⁷ In the consensus of the day, two distinct levels of obstruction were preventing agricultural growth. First, backward means of production (e.g. inadequate implements, seeds generating low yields, absence of irrigation, and backward modes of cultivation) meant low agricultural productivity, low yields per unit of land and low output per head. Second, the existing relations of production within agrarian structures did not encourage cultivators to produce or the dominant classes to invest. This was due, *inter alia*, to the existing tenure systems (sharecropping practices in particular), high levels of rent, absentee landlordism, fragmented land holdings, high level of interest rates and widespread indebtedness amongst rural dwellers. At the time, shared common views about what was needed to stimulate growth and reduce poverty included the need for: a developmental state and development planning, as markets were deemed unable to generate growth and equity; industrialization, which entailed the need for shifting surplus labour out of agriculture into the 'modern' sector of the economy (e.g. large farms and the urban manufacturing sector); and, finally, tenurial land-reform.

Although by no means all economists of the time were sympathetic to these ideas – and even less to more radical theories on the agrarian question⁸ – most thought that the

⁷ Rosenstein-Rodan (1943), Lewis (1954), Kuznets (1955), amongst others, contributed to this body of thought.

⁸ The 'classic' agrarian question was the object of the attention of Marx and Lenin. The Dobb-Sweezy debate in the 1960s re-ignited the debate on the original transition from feudalism to capitalism in England. The debate was

principles of neo-classical economics (Marshall 1979) were more relevant for the developed economies than for LICs. In developing countries, state intervention was desirable to create and organize productive capacities through investment planning. Amongst the dominant theories during this period, the dual-economy theory of development deserves a special mention. In the interpretation of Lewis (1954) and Fei and Ranis (1964), the 'subsistence' sector could only play a passive role in the process of economic development, as it possessed negligible prospects for raising productivity and growth. Its role was envisaged to supply resources to the 'modern' sector of the economy, which contained large-scale agriculture (e.g. plantation estates, commercial farms and ranches) as well as the urban-based manufacturing sector. The belief was that, assuming economies of scale in agriculture, large farms could make more efficient use of resources and modern technologies than small farms. *Inter alia*, these beliefs were also at the basis of the development of agricultural strategies in socialist countries, such as in the Soviet Union and socialist-leaning LICs in the 1970s and 1980s.

In the 1960s, a powerful body of thought emerged, which championed the potential for agricultural growth based on small-farm efficiency. In the views of many observers, this body of thought represented a *paradigm shift* away from the main ideas on rural development in the 1950s, which, as mentioned, saw the agrarian/subsistence sector as fundamentally backward with negligible possibilities for rising productivity and growth (Ellis and Biggs, 2001). Based on the assumptions of neo-classical household models⁹, this approach was refined in the following decades. The central idea was that promoting the development of small farms would simultaneously address growth and equity goals. Rising agricultural output in the small-farm (rather than large-farm) sector would result in rural growth linkages that would stimulate the emergence of labour-intensive non-farm activities

subsequently extended to other parts of Europe and developing countries (Bernstein 2004, see also the 'Brenner Debate' in Ashton et al. 1985).

⁹ This period saw the elaboration of several theories of the 'optimizing peasant', organized around the principles of a neo-classical approach to farm production, including: the profit maximizing peasant (based largely on the seminal work of Schultz, 1964); the risk-averse peasant, put forward originally by Lipton (1968); the drudgery-averse peasant, which pays attention to consumption goals (Chayanov 1986, Mellor 1966); the farm-household peasant, who hires in and out labour (based on the work of Becker 1965, and subsequently applied to the rural context by Barnum and Squire 1979, and Low 1986); and the sharecropping peasant, who operates in a context of imperfect, interlocked and missing markets (Cheung, 1968; then elaborated by Stiglitz 1986; see Bhaduri 1986 for a critique).

in rural areas.¹⁰ A number of assumptions supported the ‘small-farm first’ paradigm. Small farmers were considered rational economic agents, capable of making efficient decisions. The input combination (seed, fertiliser, water) required for successful cultivation was thought to be scale neutral; hence, small farmers were considered as capable as big farmers to take advantage of high-yielding crop varieties (HYV). Moreover, the substitution of labour for scarce land involved in small-farm HYV cultivation was considered as ‘induced innovation’, which accurately reflected relative resource scarcities and factor prices in labour-abundant agrarian economies. An inverse relationship between farm size and productivity, given the greater efficiency of small versus large farmers, was also postulated. It was thought that the former utilised abundant (family) labour in combination with small land-holdings and had low requirements for scarce capital (for a review of the literature on the inverse relationship and a critical assessment, see Dyer 2004). The underlying logic for the promotion of small-farm agriculture rested upon the assumption that most of the rural poor were in fact small farmers (small-holders) and even the landless poor would gain from employment in the labour intensive, small-farm sector. The small-farm orthodoxy, broadly defined, has survived well beyond the 1970s. It has been supported by prominent academic work (e.g. urban bias, Lipton 1977) and prompted technical research into ways to raise the productivity of smallholders. It has, at times, been reincarnated in so-called ‘agrarian populism’¹¹, particularly in the field of land reform, seeking to portray the virtues of an egalitarian and stable small, family farm, fully integrated in markets and displaying an optimal combination of efficiency and equity (see Bernstein 2004 for a review of the salient literature and a critical discussion).

According to Ellis and Biggs (2001), the 1970s saw a period of flirtation with the ideas of ‘basic needs’ and ‘redistribution with growth’. However, the authors maintain that these ideas had little to offer specific to rural development and agriculture, besides equating ‘rural’ with ‘poverty’. At the same time, they note the emergence during these decades of a ‘minority discourse’ on the political economy of agrarian change, which focussed on class,

¹⁰ Contributors here included, *inter alia*, Johnston and Mellor (1961), Shultz (1964), Mellor (1966), Hayami and Ruttan (1971), Johnston and Kilby (1975), Berry and Cline (1979).

¹¹ This school of thought has its champion in Chayanov, who stated that (cited in Bernstein 2004:9): “[neo-populism] is a theory for the development of agriculture on the basis of cooperative peasant households, a peasantry organized cooperatively as an independent class and technically superior to all other forms of agricultural organizations.”

power, inequality and social differentiation in the agrarian settings of LICs, driven by the penetration of capitalist forces of production. Despite the powerful critique that Marxist and neo-Marxist social science approaches and methods have dealt to the mainstream rural development orthodoxy, these authors maintain that such debate have remained at the margin of the rural development discourse. Similarly, Wiggins (2000) states that processes of differentiation amongst rural dwellers in LICs, and sub-Saharan Africa (SSA) in particular, are often ignored, as analyses of this phenomena are no longer fashionable. However, in reviewing the vast literature on village studies throughout SSA, he finds that differences amongst farmers are substantial; and, where and when farm economies blossom, the great bulk of the marketed surplus comes from a small fraction of the farmers, thus indicating the presence of patterns of accumulation and differentiation.

A *second* broad paradigm shift occurred during the 1980s and 1990s, involving a move away from top-down/blueprint approaches, informed by nation-wide policies and external technologies, towards bottom-up/grassroots approaches. This period saw the further rise to prominence of farming system research (FSR) and the growing argument that the green revolution in mono-crop farming system (rice, wheat) might not necessarily work for raising incomes in diverse, risk-prone and resource-poor environments (Chambers et al., 1989). Moreover, many researchers proposed the notion of an actor-oriented perspective in rural policies, placing emphasis on the differing understanding of participants in rural development on the process of change in which they are involved. As a result, the 1990s saw an increase in the utilisation of participatory methods, first rapid rural appraisal and then participatory rural appraisal (Chambers 1994, 1997). In concomitance with these evolutions, this period also saw the emergence of structural adjustment programs (SAPs) and liberalisation, leading to the withdrawal – often partial and sometimes reversed – of government interventions from the management of agricultural sectors (Jones 1995 and 1998, Jayne et al. 1995, Mosley 2001). A further development during this period was the rise of non-governmental organisations (NGOs) as agents for rural development following the disenchantment with the performance of governments in the delivery of rural services. Ellis and Biggs (2001, Ibid. 443) explain as follows the emergence of these seemingly contradicting tendencies:

"While advocates of grassroots approaches to development may like to think that they have nothing in common with World Bank market liberalisers, nevertheless the space in which grassroots action flourished from the mid-1980s onwards was created in some measure by the backing off by big government from heavy involvement in the rural economy. A growing disenchantment with the performance of state rural development agencies was an important shared agenda across a number of divergent rural development actors. Nor did the retreat of the state occur voluntarily, but resulted from much arm-twisting by the external financial institution under structural adjustment programmes."

1.2.2 The Washington Consensus and the Rise of New Neo-Classical Economics: Implication for Rural Development Thinking

The period from the late 1970s to the early 1990s also witnessed a major upsurge in neo-liberal ideas. The rise of neo-liberalism coincided with the crisis of Keynesianism in the developed world – partly as a result of the collapse of the post-war boom and the stagflation of the 1970s – which contributed to the distrust in state intervention (Fine 2006). The emerging neo-liberal orthodoxy advocated a new development model based on the primacy of individualism, market liberalism, outward-orientation, and state contraction. The organizing principle of neo-liberal political economy was the notion of a minimal state, whose primary functions were to secure law and order, ensure macroeconomic stability and provide the necessary physical infrastructure (see Onis and Senses 2005, and Sender 1999 for a critical examination of this body of thought). This wave culminated in the surge of the Washington Consensus (WC, Williamson 1990).¹² The prescriptions of the WC in the rural development field sought to affirm yet again the centrality of the small

¹² The salient features of the WC included fiscal discipline (i.e. primary surpluses and small operational deficits); the reorientation of public spending from politically-sensitive areas (e.g. administration, defence) towards neglected fields with high economic returns and the potential to improve income distribution (e.g. education, health, infrastructure); tax reform, often by broadening the tax base and cutting marginal tax rates; financial and trade (i.e. tariffs reduction) liberalization to achieve market-determined interest rates; the promotion of foreign direct investment by knocking down barriers to entry, especially for foreign firms; and privatization and deregulation to promote internal competition (Maxwell, 2005).

farm (World Bank 1997), and included, *inter alia*, the need for improving small-holders' productivity through the development of new and improved technology, such as the 'intensification' of agricultural systems. According to Kydd and Dorward (2001: 468):

"There [was] a supposition that smallholder (family) farming is a fundamentally efficient mode of economic organization in poorer countries...[and]...has been seriously inhibited ...[by]...economic biases against agriculture, often reinforced by biases within the sector towards larger farms. [...] Smallholder farming is the most effective form of organization for engaging and motivating labour, because the operating family farm is the claimant of the residual surplus and because it encourages farm operators to acquire and apply locally-specific agro-ecological knowledge."

At the policy level (i.e. food and export crop marketing reform), greater emphasis was advocated for food market liberalisation in production, storage, marketing, and transport, the provision of private sector incentives, sustainable resource management, commodity diversification, decentralization, and greater farmer participation. Additional measures were developed to better target the delivery of agricultural public goods and services to the rural poor, through public-private partnerships, the reform of input supply chains, and – in cases where land distribution was highly skewed – market-based, government-facilitated land reforms (World Bank Ibid. 1997, Deininger 1999). The expectations were that the macro-economic reforms combined with the food and export crop marketing reforms would generate a burgeoning private sector – providing agricultural services, inputs and market products – boost agricultural output, improve food security, increase rural incomes and ultimately reduce poverty. There was also the belief that price liberalisation would redistribute incomes from privileged and protected urban groups to excessively-taxed rural producers. In the aftermath of such reforms, a large and growing body of literature has convincingly attempted to explain why these results were not achieved, or, at best, only partially (Jones 1995 and 1998, Jayne et al. 1995, Christiaensen and Pontara 2003 for a summary).

Critical reactions to the WC came predominantly from radical political economists but also from more orthodox camps. Economists belonging to the latter went on to forge the post-WC, which *de facto* updated, rather than abandoned, the original set of prescriptions. In particular, Stiglitz (1986, 1989) has attempted to extend the scope of mainstream economics to the understanding of the nature of development by reviving the emphasis on history, institutions, and the social sphere through the prism of market imperfections. The most innovative feature within the new micro-economics of market imperfections (or new neo-classical economics) has been the claim to be able to examine social structures, institutions and customs on the continuing basis of methodological individualism.¹³ In a nutshell, institutions, customs, economic and social structures are used by buyers and sellers to cooperate, build trust, and overcome asymmetries of information. Hence, non-economic and non-market behaviours in the sphere of customs, trust and norms are explained in the context of rational individual optimizing behaviours in response to market imperfections.¹⁴ Applied to the rural context, new neo-classical economics postulates that peasants respond to market forces and price signals. Although peasants are rational, they are not fully informed of the consequences of their actions, or the institutions through which they operate. Information is costly, imperfect, and asymmetric. For instance, the information available to a landlord or a moneylender may not be available to a peasant, or vice versa. Hence, previously-considered inefficient (or, by some, exploitative) agrarian institutions, such as sharecropping, are in fact functional albeit imperfect: they are more flexible than previously thought and such flexibility confers an advantage to all parties involved. These agrarian institutions are capable of dealing with risk and perform important economic functions. In addition, as the economy may not be Pareto efficient, given the absence of a complete set of markets and perfect information, the door is open for limited state intervention, as the market itself cannot eradicate economic backwardness and generate development (Stiglitz 1986 and 1989, see Byres 2006 for a critique). The emergence of this theoretical framework, according to some commentators, has

¹³ The body of thought based on market imperfections has given rise to a plethora of new theories, including new institutional economics, new agricultural economics, new economic sociology, new development economics, new growth theory, new political economy, new welfare economics, and so on.

¹⁴ Central to this is the notion that markets may not work perfectly. There are three possible outcomes: markets clear but are Pareto-inefficient (i.e. there are some buyers and sellers willing to exchange at some other price); markets do not clear (supply exceeds demand without prices falling); and markets are absent (due to moral hazard or adverse selection).

strengthened rather than weakened the basis on which small farms are considered to be more efficient than large farms. Lipton and Lipton (1993:1524) assert that:

“Modern theories of rural institutions, focusing on transaction and information costs [...] demonstrate that institutions such as sharecropping and moneylender credit are [...] responses to the need to reduce transaction costs in managing and supervising labour and cash flows. [...] This points to the frequent superiority of the smaller, self-managed family unit, as expressed in the ‘inverse relationship’, namely, the generally higher productivity of land and to a lesser extent all factors taken together, farmed in small holdings.”

Some observers, however, maintain that proponents of new neo-classical economics (and post-WC) have not been successful in incorporating in the ‘new’ theory key determinants and characteristics of development, such as the emphasis on social and historical structures, processes and agencies (Fine 2006). Onis and Senses (2005: 423) argue that:

“[The post-WC] ...adopts a rather narrow and technocratic approach towards state-market interaction at both the national and global levels. It takes the existing power structure as predetermined. Hence it fails to address the fundamental power relations and asymmetries of power that exist between classes at the level of the nation state, and powerful versus less powerful states in the global economy.”

Meanwhile, Fine (2002:2060) states that:

“The principles involved [in the post-WC] have no historical or social roots other than in the language deployed. For, in content, they rely exclusively upon categories such as utility, production, inputs, and informational asymmetries. Social and historical content is excised in anything but name. Now, customs, culture, trust, identity, come within the compass of economics. Conflict, power, and the systemic in any other sense simply fade into the background.”

1.2.3 Sustainable Livelihood Approaches: A Further Paradigm Shift?

Some commentators argue that there has been a further *third* paradigm shift in rural development thinking. It is argued specifically that SLAs can analyse modes of livelihoods in a dynamic and historical context and force researchers to focus on intra- and extra-household social relations. Given the vast and growing literature on livelihoods and income diversification in the rural areas of LICs, it is important to look critically at the theoretical foundations and empirical findings of this body of thought, to determine whether it can offer an innovative framework for the analysis of poverty reduction and processes of accumulation. Moreover, the labour market is an integrating part of the theoretical apparatus of SLAs, as employability and earning power are parts of the *human assets* that households have at their disposal to diversify income, accumulate, or survive.

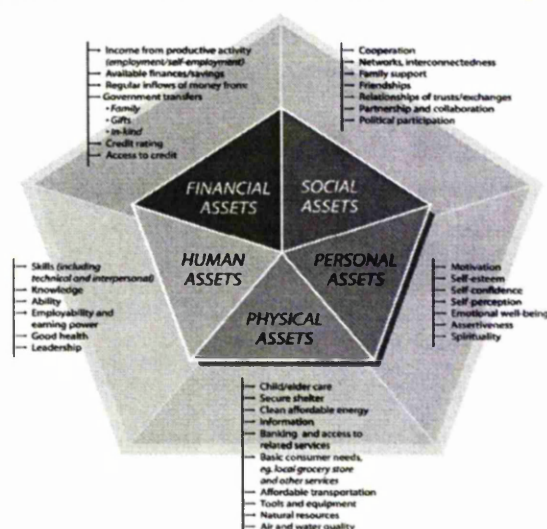
Chambers and Conway (1991) are commonly cited as the original proponents of the idea of sustainable livelihoods. They aim at departing from previous analyses focussing on production, employment and income (deemed to be industrial and reductionist) that were unable to capture the complexity of rural life. In their words (Ibid. 1991:6):

“A livelihood comprises the capabilities, assets (stores, resources, claims and access) and activities required for a means of living: a livelihood is sustainable which can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generation; and which contributes net benefits to other livelihoods at the local and global levels and in the short and long run.”

In the work of these authors, rural poverty is mainly understood in terms of vulnerability and risk, as defined by poor people. The poor deploy tangible and intangible assets to counter the vulnerability arising from high levels of risk and uncertainty. This is done to ensure both short- and long-term capacity to survive or maintain existing levels of well-being: risk is spread, assets are protected, and consumption is smoothed by making trade-offs. Different portfolios of activities are deployed so that individuals and households

are flexible and able to adapt to different types of shock. Following the seminal work of Chambers and Conway (Ibid. 1991), a number of divergent concepts of livelihoods – as well as accompanying frameworks – have been proposed. Amongst the most widely known livelihood frameworks is that put forward by Carney (1998, 1999, 2001) centred on the ‘asset pentagon’, which acts as a visual aid and a practical tool for participants involved in SLAs programs. The pentagon visually represents 5 asset areas that speak to the holistic aspects of everyday living. They are considered the building blocks necessary for individuals to move out of poverty and achieve a sustainable livelihood (see Figure 1.1).

Figure 1.1 The Asset Pentagon



Source: MacKeigan (2004).

In the field of economics, one of the most prominent advocates of the ‘livelihoods approach’, and perhaps the one that has managed to give a rational structure to this ensemble of ideas with specific application to LICs, is Ellis. As he puts it (Ellis 2000:10):

“A livelihood comprises the assets (natural, physical, human, financial, and social capital), the activities, and the access to these (mediated by the institutions and social relations) that together determine the living gained by the individual or household.”

Ellis (Ibid. 2000) develops the notion of a livelihood platform, which is composed by *assets*. These are divided into five types of capital: natural, i.e. agro-ecological potential, renewable and non-renewable resources; physical, i.e. buildings, irrigation, roads, tools, machines, power lines, water supplies; human, i.e. the labour available to the household, and its education, skills, and health; financial, i.e. the stock of money, savings/credit, to which the household has access; and social. The latter refers to intangible assets, including capabilities, that is, the personal and often non-economic and non-social attributes of the individual, such as relationships of reciprocity and trust which underpin the moral economy, and power. He emphasises the *mediating processes*, the set of mechanisms through which assets are modified, and which include: social relations, i.e. the positioning of an individual within society, comprising factors as gender, class, age, cast; institutions, i.e. formal rules such as laws, property rights, conventions, informal codes of behaviour; and organisations, i.e. government agencies, administrative bodies, NGOs, and other associations. These mediating factors have an influence – enhancing or constraining – on the *choices of individuals and households*, and are also influenced by various trends, such as population growth, migration, technological change, and exogenous events, such as climatic shocks, wars, and so on. The above process results then into *livelihood strategies*. These strategies, in turn, affect outcomes relating to livelihood security – income level, income stability, seasonality, degree of risk – and environmental sustainability – soils and land quality, water, forests, and biodiversity (Ellis, Ibid. 2000:30).

According to SLAs, livelihood diversification (or the exploitation of multiple assets and sources of revenue) is an intrinsic attribute of many rural livelihood strategies. The livelihood literature (see, for instance, Hussein and Nelson 1999, and Ellis 2000) suggests that although exogenous trends and shocks play an important role in pushing rural people towards a diversified livelihood strategy, diversification choices are also firmly rooted in the micro-economic logic of farming households. Different elements should be considered in this connection. It is argued that by keeping the capability to operate a heterogeneous set of activities, diversifying households are likely to enjoy higher flexibility and resilience capacity than agricultural dependent rural households. As Ellis puts it (1998:4):

“Livelihood diversification is defined as the process by which rural families construct a diverse portfolio of activities and social support capabilities in their struggle for survival and in order to improve their standards of living.”

In many ways, the underlying assumptions of livelihood frameworks are not different from those to be found in the income diversification literature, which draw extensively from new neo-classical economics. Barrett et al. (2001) survey the causal origins of diversification in LICs and explain them by using the tools of new neo-classical microeconomics, with emphasis on missing and incomplete markets. Rural households diversify their income because of one or more of the following: varying returns (e.g. diminishing, increasing, economies of scope) to productive assets – land, labour, livestock – across time (seasonal factors) or individuals/households (interpersonal aggregation); missing or incomplete markets (e.g. land, labour, credit, insurance); risk reduction *ex ante*; and coping with shocks *ex post*. In their words (Barrett et al. Ibid. 2001:321):

“Because individual factors of production face diminishing returns in most productive activities, when individual or households are not endowed with the ratio that maximizes profits at prevailing shadow prices and there are not well-developed asset markets through which they can exchange assets to achieve the optimal mix, diversification becomes the natural response.”¹⁵

Maximization of returns per unit of labour is an important element in livelihood diversification choices. It is maintained that at any given point in time, a rural household will choose the most cost-effective opportunity to ensure maintenance of its consumption level. This formulation can be elaborated in different ways. For instance, the availability of surplus of household labour (or a high producer/consumer ratio) may influence the household decision to engage in wage labour. Similarly, food availability and food cost volatility on the local market can affect the relative importance attributed to self-consumption production. This can promote or prevent the undertaking of wage labour or

¹⁵ A shadow price is the imputed price or value of a good or a service where such a price or value cannot be accurately determined due to the absence of an ordinary price-determined market, or to gross distortions in any market which exists.

engagement in income generating enterprises. Seasonality may also lead to a cyclical shift in time allocation from on-farm to non-farm sources of revenue (Ellis 1993, 2000). As argued in Chapter 7, this framework misses some crucial elements in the analysis of the determinant of rural households' labour supply, such as personal relations, issues of power, and cultural and social norms.

Diversification as a primary means to reduce *risk*, in the absence of complete credit or insurance markets, has also generated a sizeable literature (Chambers 1997, Reardon 1992, Bryceson 1996; Ellis 2000; Hussein and Nelson 1999). The idea is that people exchange some forgone expected earnings for reduced income variability. This is achieved by selecting a portfolio of assets and activities that have a low or negative correlation of incomes, e.g. crop production and seasonal metalworking (Alderman and Paxson 1992). The basic logic of this argument is that previous experience of crop or market failure can provoke diversification as a means of spreading perceived risk and reducing the impact of total or partial failure on household consumption. Diversification often requires choosing the second best income-generating alternative. Risk-averse farmers perceive the amount of income given up by diversifying income sources as less important than the reduction of the total failure hazard. Hence, risk management through diversification complements and counterbalances the above principle of maximization of return per unit of labour. As in the livelihood literature, the availability of key assets (such as savings, land, labour, education and/or access to market or employment opportunities, access to common property natural resources and other public goods) is considered a determinant in making rural households and individuals more or less capable to diversify. But, it is argued, diversification may also develop as a coping response to the loss of capital assets needed for undertaking conventional on-farm production. Strengthening the household's asset basis is thus an additional important factor in diversification choices. In particular, members of better-off households can undertake innovative activities or engage in highly remunerative wage labour (i.e. migrate abroad) with the specific aim of accumulating savings needed to expand the land holding, offer education opportunities to the young generation, or insure themselves against illness and aging. In addition to that, diversification may also occur as a means to consolidate household natural capital (i.e. to enhance the environmental

sustainability of a particular livelihood strategy) (Dercon and Krishan 1996, Abdulai and Crole Rees 2001).

Site-specific opportunities such as local market contingencies, development projects, infrastructure development (e.g. a new road) or personal contacts might play an important role in pulling rural household towards livelihood diversification.¹⁶ Gender relationships are also important in shaping diversification process. Social organization and culture can significantly influence the relative access of different gender (and age) groups to households' capital assets (e.g. Ellis 2000; Gladwin et al., 2001; Dolan 2002) or constrain/promote their mobility. This might result in a different degree of involvement in diversification activities and/or in an unequal distribution of their benefits between men and women (Warren 2001). Individual and household identity and vision of the future might also shape diversification decisions. For instance, new on-farm activities can be preferred to migratory wage labour as livelihood diversification strategies, because they are perceived to be more consistent with maintaining a rural life style. By contrast, 'city lights' attraction can be an important factor in pushing youngsters to contribute to household diversification by migrating in town or abroad.¹⁷ In sum, the discourses on livelihoods and rural income diversification are remarkably similar. The latter, it can be argued, focuses on specific elements of the former (e.g. risk, coping mechanisms, etc.) by relying on the apparatus of modern orthodox microeconomic theory – allowing for market imperfections – and the utilization of econometric techniques.

A sizable literature exists on research that applies the variety of livelihood frameworks briefly surveyed above. Almost invariably, this research focuses on strategising individuals who employ variable portfolios of material and non-material assets to maximise the preferences and priorities of each one, in a context characterised by risk and uncertainty.

¹⁶ Examples may include the opening of a market niche for non-conventional agricultural commodities, the establishment of tourist resorts, a relative or friend acting as a liaison between the household and an employer in town or abroad, or the development of a cooperative enterprise in the community. On the basis of these hypothetical examples, it is maintained that the interplay among market dynamics, social capital assets and enabling interventions often play a major role in generating opportunities for livelihood diversification.

¹⁷ Commentators divide these factors into push (i.e. risk reduction, response to diminishing factor returns, reaction to crisis or liquidity constraints, high transaction costs) and pull (i.e. strategic complementarities between initiatives, specialization according to comparative advantage, etc.) factors (Barrett et al. 2001).

By way of example, the framework elaborated by Ellis (2000), has been used to investigate the micro-level circumstances of the rural poor – that is, the asset status of rural citizens, the income-generating activities in which they engage, and the institutional environment within which livelihood strategies are adopted and adapted. It has also been used to make the micro-macro links between the experience of rural poverty and the strategic policies designed to tackle its causes and reduce its incidence, as set out in PRSPs (see, for instance, Ellis, Kutengule and Nyasulu 2003, Ellis and Mdoe 2003, Ellis and Bahigwa 2003, Ellis and Freeman 2004). Other authors have extended livelihood frameworks by emphasizing existing elements or adding new ones, such as disaster analysis (Blaikie et al. 1994), the poverty-environment link (Reardon and Vosti 1995), the relation between assets and vulnerability in urban areas (Moser 1998), vulnerability and risk/social protection (Devereux 2001), social/cultural/political capital (Bebbington 1999), and even class (Carter and May 1999).¹⁸ Some other influential narratives loosely based on the concept of livelihood diversification, such as the theories of de-agrarianization and de-peasantisation – associated to the work of Bryceson (e.g. Bryceson 1996) – are reviewed in Chapter 2. At the same time, the original proponents have been busy to better account for institutions and processes – subsuming governance and issues of power and rights – in response to emerging criticisms of the a-historical/political and static nature of livelihoods frameworks (Carney 2001). The discussion now turns to the main shortcomings of SLA, mainly developed by those authors who have been trying to detach the concepts of livelihoods and agency from the language of micro-economics and strategic gaming, and reclaim them for the analysis of broad patterns social differentiation and class struggle in historical change (O’Laughlin 2002).

1.3 LIVELIHOOD FRAMEWORKS: IDEOLOGICAL MASKS OR USEFUL ANALYTICAL TOOLS?

Critics of livelihood frameworks tend to be divided into two groups: those who praise the flexibility of such frameworks but criticize them for failing to take into account specific

¹⁸ For an exhaustive annotated bibliography on livelihood approaches and their practical applications see Toner and Howlett 2001.

elements¹⁹; and those who call into question the soundness of the theoretical framework of livelihood analysis in the first place. The main points of each group will be discussed in turn. Some critics of livelihood frameworks (predominantly but not exclusively from *within* the livelihood camp) maintain that the concept of livelihood is too general. Despite the fact that all livelihoods approaches are actor-focused and stress the tactical and strategic behaviour of impoverished people, there is a good deal of potential latitude in how such agency is conceptualised. Livelihoods mean different (though overlapping) things to different authors (Whitehead 2002). Scoones and Wolmer (2003) maintain that as a development buzzword and umbrella, sustainable livelihoods have come to mean different things to different people, everything and nothing. Another strand of critique, partially from within the livelihood camp, points to the cursory treatment of important links to institutions, mediation, and social relations (hence the efforts – mostly unconvincing – to include in the framework governance, power and rights). Looking forward, Scoones and Wolmer put it as follows in discussing the future of livelihood frameworks in Africa (2003:115):

“Alternative approaches that encourage sustainable livelihood are inevitably going to be normative, political and have to deal with power. They must also be realistic and rooted in an understanding of the history and complexities of real-life African political and administrative systems.”

Other, more substantial, critiques of SLAs call into question their very theoretical foundations. It is argued that mainstream SLAs are all permutations of neo-classical general equilibrium models, based on the trinity of resources, transformation and preferences (Start and Johnson 2004). The intellectual origins of SLAs are to be found in earlier work focusing on capability, equity and sustainability (Solesbury 2003).²⁰ The entitlement theory, in particular and as put forward by Sen (1981, 1984), has provided the

¹⁹ For instance, there is general consensus that the strengths of livelihood paradigms are apparent when they are deployed to document the complexity, diversity and specificity of rural life, as opposed to the mere recognition that rural dwellers are individuals that creatively combine multiple activities in order to minimize risk in the context of vulnerability (Murray 2000, Bryceson 2000, O’Laughlin 2002, 2004).

²⁰ See Schumacher (1973), Sen (1981), Jodha (1988), Swift (1989) and Lele (1991).

analytical foundation on which SLAs have developed.²¹ Unambiguously micro-economic in its nature, entitlement theory was built upon the modern technical apparatus attached to the general equilibrium theory of neo-classical economics, and is concerned with the micro-economic capability for survival. In the words of Start and Johnson (2004:17):

"The entitlement approach describes how endowments are mapped into entitlements or commodity bundles...to fulfil the demands of the individual. The livelihood securities approach describes how stocks and capabilities create flows that lead to well-being. Asset-based livelihoods...consider how assets are transformed by structure and processes and livelihood strategies into livelihood outcomes."

Carter and May (1999), for instance, define livelihood mapping as the set of commodity bundles that can be claimed on a given set of tangible and intangible endowments: it is the budget set defined by the endowments and the given set of relative prices at which exchanges take place. Livelihood mapping is the result of active household choice (i.e. the choice to generate secure livelihoods) in the presence of imperfect insurance markets (or, in Sen's terms, in the presence of an entitlement failure). Each bundle of assets maps into a distribution of possible livelihood outcomes. In general, all livelihood approaches involve speculations on gaining access to an initial asset, resource or endowment; the physical process of transformation or production, the efficiency and productivity which depend on skills, information technology and equipment; and the process of exchange, through competitive commodity, labour, credit, land or other markets, or non-competitive, semi-feudal markets, or more informal systems of barter or reciprocity. Traditional neo-classical approaches tend to ignore the first aspect, subsume the second into exogenously given technology or total factor productivity (TFP) and equate the third to price. By contrast, by implementing the tools of new-neo-classical economics, proponents of livelihood approaches have attempted to explain how economic decision-

²¹ Sen (1984:497) defines entitlements as: *"The set of commodity bundles that a person can command in a society using the totality of rights and opportunities that he or she faces"*. A person's entitlement set is the full range of goods and services that he/she can acquire by converting his or her endowments (assets and resources, including labour power) through exchange entitlement mapping.

making leads to multiplicity in livelihood portfolios based on maximising returns and minimising risks. This has led to the emergence of a vast literature on responses to risk and uncertainty (*ex ante* insurance strategies), and variability and discontinuity (*ex post* coping strategies to droughts, pests, shocks, trends, cycles), which was briefly reviewed above. However, these theories do not systematically consider what others contend are the structural determinants of transformation, such as class, power and political factors.

Some commentators have critically addressed the tension between methodological individualism and the desire to take into account the 'social sphere' with respect to the theoretical apparatus of the entitlement approach (Fine 1997, Devereux 2001). This tension stems from the fact that the entitlement approach is based upon the traditional dichotomy between the economic (market exchange – i.e. exchange entitlements) and the non-economic (the wider network of entitlement relations, social capital), and an equally traditional notion that the non-economic should correct for the failures of the economic. The technical analytical structure around entitlements examines the conditions under which an individual choice set includes an entitlement that avoids starvation. In order to address famine, however, this account is immediately translated into the incidence of entitlement within social classes. Entitlements analysis depends analytically upon a structural separation between the individual's characteristics (including marketable endowments) and the social mechanisms, market or otherwise, that provide for an extended entitlement mapping. Thus, Devereux (2001:259) maintains that:

“ [The entitlement approach displays]...*first, a failure to recognize individuals as socially embedded members of the households, communities and states, and second a failure to recognize that famines are political crises as much as they are economic shocks or natural disasters. [...] Without a complementary social and political analysis, the entitlement approach can illuminate only a small part of a very complex phenomenon.*”

Meanwhile, Fine (1997a:630) asserts that:

“There is a clear marriage between the micro-foundations of choice theory and the macro-foundations of the theory of classes and of modes of production. [But] if the macro analysis organized around classes is to be endowed with an analytical priority, it is not apparent why the entitlement apparatus should be the analytical starting point. And vice-versa, with the entitlement approach as a starting point, the social determinants appear to be exogenously imposed.”

Stated differently (Fine Ibid. 1997a), the entitlement approach does not incorporate an economic theory. If neo-classical theory was chosen, the social determinants could be simply taken as exogenous, and outcomes would be determined by the aggregated behaviour of individuals on the basis of their entitlements. By the same token, if value theory was selected from classical political economy, then the analytical framework would be completely different from a sharp focus on demand and supply, instead moving to specifying the economic mechanisms by which social determinants give rise to individual or class-based entitlement outcomes.

Translated into the livelihood debates, criticisms of livelihood paradigms focus on their inability to factor in the political economy by not paying due attention to structural historical factors, issues of power and class. And they are unconvincing in making the link between the micro and the meso- and macro-contexts. Murray (2000) states that inequalities of power and conflicts of interest are not sufficiently acknowledged in these approaches, either within local communities or between communities, or at the level of regional elites and government agencies. Moreover, Murray (2002) emphasizes the need to study the livelihood of poor people in relation to the livelihoods of people who are better off. In particular, poverty needs to be understood in a structural and relational sense if we are to comprehend the diverse trajectories of the poor and the not-so-poor. He puts it convincingly in the following passage (2002: 490):

“We repeatedly discover [...] that trajectories of change for individuals or households in one social class are related to trajectories of change for individual or households in other social classes. In other words, [...], the use of livelihoods

research to analyse the causes of and the experience of poverty specifically requires attention to the livelihoods of people who are not poor as well as those of people who are poor. This implies an understanding of poverty in structural or relational terms, in order to achieve an appropriate emphasis, which is otherwise often deficient, on the social relations and the inequalities of power that heavily influence the respective trajectories of the better off and the poor. Thus, in so far as livelihoods research is directed to the causes of poverty, the circumstances of poverty and the reasons for poverty should be understood through detailed analysis of social relations in a particular historical context."

Wood (2003) formulates a critique of the contemporary livelihoods discourse for failing to acknowledge some of the chronic aspects of risk (i.e. in his view poor people suffer from chronic rather than stochastic insecurity) induced by, amongst other factors, inequality, class relations, exploitation, concentration of unaccountable power and social exclusion. In his view (2003:457):

"The contemporary livelihood discourse fails to explain the micro-circumstances of poor people in terms of meso- and macro-institutions performance, which express political economy and culture"

TOOBY (2003: 774), meanwhile, maintains that:

"There is a need to develop sustainable livelihood frameworks more rigorously in order to improve their ability to relate empirical micro-level data to structural, institutional and historical elements of the macro-context, and to capture the processes of differentiation, accumulation and impoverishment that occurs over lifetimes."

Whitehead (2002) is critical of the tendency in the prevailing paradigm of livelihood research for household assets to be treated as synonymous with various forms of capital, and for both assets and capital to be torn out of their relational context in the shift to the

language of neo-classical economics to explore livelihoods. More fundamentally, within livelihood frameworks there is little space for power (coercion, exploitation and confrontation), history, collective agency, and therefore class struggle, as these categories of analysis are replaced by strategising, preferences, priorities and choice. Class (as a relational concept) is absent from the discourse on livelihoods and the political space is very limited – focussing merely on ‘empowering the poor’. According to her (2000:515):

“Within the livelihood framework, structure is the contingent outcome of micro-processes of decision and thus analytically redundant. The specificity of capitalist class relations is effaced as social networks become possessions, possessions become assets, and assets become capital. The concept of class struggle, with emphasis on collective agency, confrontation and the specific political power of the state, is replaced by concern for the affirmation of individual agency and identity, understood in terms of strategising, preferences, priorities and choice. Agency is reduced to individuals strategically choosing between options so complex that they remain largely outside anyone’s control.”

O’Laughlin, (2002) argues that the concept of livelihoods has to be embedded within an understanding of proletarianisation, rather than within alternative frameworks of livelihood strategies. Current preoccupations with the struggles of individuals and households to diversify their livelihoods in the face of immediately worsening socio-economic circumstances may distract analytical attention from the longer term and the broader sweep of historical change. Hence, livelihoods research is a method without theory, especially a theory of political space. This is a major lacuna for an approach that seeks to improve the quality of policy advice in development studies (O’Laughlin 2004).

1.4 AN ALTERNATIVE FRAMEWORK FOR THE ANALYSIS OF RURAL CHANGE

This section argues that patterns of accumulation (in richer households) and survival (in poorer households) cannot be adequately addressed by more or less sophisticated neo-classical framework, given the assumptions made and the questions posed. As argued

above, methodological individualism, rationality, maximization and economic reductionism do not disappear but are merely diluted as one moves from the most rarefied versions of neo-classical models to broader approaches, such as the information-theoretic framework and new-institutional approaches. This also applies as one moves from neo-classical models of rural development to approaches that in theory are better equipped to understand and analyse rural change, such as SLAs. All these approaches share the same tendencies. They base the analysis undertaken on methodological individualism and rely on utility maximization as the preliminary axiom. They focus on few a-historical and a-social variables that are supposedly measurable for analytical purposes and mathematical tractability in the most rarefied versions. Under such approaches, albeit to varying extents, the social dimension is reduced to self-interested rational choice in response to market signals, imperfections and risk.

According to Bharadwaj (1990) there are two very significant paradigmatic influences that have shaped the formation of development theory, whose driving concern was the material improvements towards catching up with the developed world. The first paradigmatic influence had two strands, both concerned with explaining production, exchange and distribution in a capitalist society: classical political economy (Smith, Ricardo, and Marx); and marginalist theory, later growing into the neoclassical theory. The second paradigmatic influence was concerned with explaining the industrialization experience, that is, the transition path from an agriculture-based feudal system to a fast industrializing capitalism. Deviations from the classical path-case of England in developing countries – and ways to overcome hurdles and bottlenecks as the process unfolded – were at the centre of the interests of some exponents of this latter current. These approaches are briefly analysed in turn.

Marginalist/neo-classical theory attempts to explain the functioning of a competitive capitalist economy with its specific characterization of the problems of 'change' and 'choice'. The theory conceptualizes the economy as an aggregate of atomistic individuals who choose profit-maximizing activities and outputs at the going prices (producers) and maximize their satisfaction, given the budget constraints and preferences (consumers).

Individuals adjust their optimum quantity choices in response to variations in relative prices, which are formed on the market and vary in response to excess demands and/or supplies in particular markets. Equilibrium is reached when all the market clear yielding simultaneously the (equilibrium) set of prices and quantities. But stringent conditions need to be established on the feasible choice sets and on the price/quantity responses, in particular, the existence of well-behaved demand and supply relations, that is, the relative prices-guided substitution is essential for such equilibrium to exist. The data for this theory are: the initial endowments and their distribution; the technological possibilities; and the sets of preferences (i.e., the familiar micro-economic trinity). These data also form the backbone of the theoretical framework that informs SLAs, as argued above.

A number of analytical problems affect this theory. The very notion of change is restrictively circumscribed. All influences affecting quantities are mediated through relative price variations on the market, themselves the outcomes of the atomistic responses of individuals. The conceptualisation of individual choice is done in a *vacuum*, through raising barriers of assumptions. The individual is cordoned off from all influences emanating from other individuals or social relations. There is no explanation of how technological possibilities and preferences sets are generated, or about the interaction between the individuals' discriminatory access to these options and the choices they makes. Demand and technology are thus exogenously determined, and this rules out feedback effects on individuals' decision making processes, which emanate from the macro or systemic level social factors. Conversely, the influence of individuals' decision on the macro system takes place through the quantity signals passed on to the market, as individuals are powerless vis-à-vis prices. All domains of activities – consumption, production of commodities or factor markets – are subsumed to the supply and demand framework and the price-quantity signalling between the individuals and the market. Land, labour and capital are treated symmetrically and their returns are treated like any other price of commodities. Factor and commodity prices are determined simultaneously along with the equilibrium quantities, implying the full utilization of factors of production as an outcome of the equilibrating forces in operation. As Bharadwaj puts it (Ibid. 1990:22):

“This model may accommodate inequalities in terms of resource endowments and that too in a limited way. It cannot give space to systematic discrimination that occurs in the exchange systems originating from social distinctions such as of class, caste or sex.”

The classical economists, by contrast, saw the history of societies as a passage through historical stages characterized either by modes of subsistence (as in Smith) or modes of production (as in Marx). The central notion here is the mode of generation and appropriation of surplus (or net product²²), and the way in which it is distributed to the revenue classes pertaining to a specific economic system. In capitalism, wage labour generates surplus, which is then appropriated by capitalists on the market and shared amongst the different classes as rents, wages and profits. In this context, the theory investigates the conditions of reproduction of production, exchange and distributive relationships. In the classical tradition, change and choice are conceptualized in entirely different terms. The data for the determination of natural prices under competition are: ‘effective’ demand (or social output); the observed mode of production; and the socially determined wage. Unlike in the marginalist case, quantities and prices are determined separately, that is, the determination of the above data is not entirely or exclusively subsumed to the price regime. Stated differently, classical theorists believed that these magnitudes would be simultaneously or conterminously determined as a sub-problem of relative price formation but maintained that a much more dynamic story should be told on the relationships between them. According to Bharadwaj (Ibid. 1990:23):

“[...] the ‘demand’ and ‘supply’ conditions of capital and labour are not merely price-related schedules (given relative proportions of factors corresponding to relative factor prices) but incorporate dynamic influences generated by the accumulation process itself. The ‘efficiency’ and ‘optimality’ of price guided allocation which is at the centre of marginalist theory has no exact counterpart in classical theory.”

²² This is the difference between gross product and productive consumption. The latter refers to the requirements from production, i.e. both the means of production and sustenance of labour.

In the place of atomistic decision makers, classical economists had individuals in society, who are motivated and make decisions according to countervailing interests and passions, belong to different ranks or classes and face multiple constraints as suppliers and demanders, such as physical and material resources at their disposal as well as systemic constraints that circumscribe their options, and which emanate from the process of accumulation itself. The expanding feasibilities of activities and material opportunities are not open to all in an equal manner: given the class-based structure of the society, the process of accumulation produces a differential impact on different classes, impacts that are or can be contradictory and conflicting. The process of accumulation defines these circumstances. By allowing for the separation of prices and quantities, classical theorists have been able to analyse the interaction between the extent of the market and the division of labour (as in Smith); and between the technical change and the dialectics between the forces of production and production relations (as in Marx). That is, they have been able to elaborate different hypotheses on the relationship of prices and quantities between different economic activities and variables at the micro and macro level and account for their historical changing causal connections. According to Bharadwaj again (Ibid. 1990: 23):

“It would seem therefore that the role that relative prices play in the classical structure is different from that attributed to them in the classical theory. The difference is not in the latter being an optimization model based on the rational profit-seeking individual. The capitalist (or the individual) is also similarly rational in the classical theory and both theories assume the tendency towards uniformity of wages and profits as a characterization of the competitive system.”

What are the differences then? First, the theory of prices in the two schools of thoughts is based upon a very different structure of modes of change and choice. In addition, classical theory allows for the analysis of the reproduction of different modes of production, including their specific forms of surplus generation, appropriation and distribution, and the corresponding forms of exchange values. It also allows for the influence of various factors – rather than price variations alone – on the demand and

supply conditions²³. And can discriminate between commodities and apply different price-quantity response behaviours (no general condition of elasticity), therefore allowing for a multi-structured, differentiated relations of production and exchange within a competitive capitalist economy.

But how do these points relate to the analysis of rural 'change', and in particular to the analysis of the link between poverty reduction and the (formation of the) labour market in LICs? The fundamental tenet of the classical political economy approach is that the process of accumulation is central to the formation of rural labour markets, as opposed to the levels of factor use or the determination of the market-clearing price. In particular, the analysis here is concerned with the penetration of capitalism in the countryside of LICs, based on the original experience of England as analysed by Marx (broadly speaking this refers to the dissolution of feudal relations and the march towards capitalist relations and the formation of wage labour), and issues related to the agrarian question and agrarian transition. Byres carefully distinguish these two concepts (1996:26-27):

*"The agrarian question [...] is constituted by the continued existence in the countryside, in a substantive sense, of obstacles to an unleashing of accumulation in both the countryside itself and more generally – in particular the accumulation associated with and necessary for capital industrialization. The broad sense of the agrarian question, then, encompasses urban/industrial as well as rural/agricultural transformation. By an agrarian transition thus broadly construed one envisages those changes in the countryside of a poor country necessary to the overall development of capitalism and its ultimate dominance in a particular national social formation."*²⁴

Such transitions are ongoing throughout the developing world and the key questions to explore, if poverty is the central concern, are the nature of the socially differentiated

²³ In the marginalist theory, shifts of demand and supply schedules are attributed to variations in *ceteris paribus*, hence to phenomena that are left out of economic analysis and pushed into sociology, anthropology, history, and so on.

²⁴ Different types of transition exist, such as, *inter alia*: capitalism from above, that is, the transformation of a landlord class into a class of capitalist farmers, or capitalism from below, that is, the transformation of a rich peasantry into a class of capitalist farmers, and the emergence of a class of wage labourers, a rural proletariat.

peasantry, the extent to which rich peasantries are accumulation-oriented; the fate of middle and poor peasants; and that of wage labourers. The framework proposed also explicitly questions the 'mutuality' between producers and non-producers, with the relevant agrarian institutions (such as sharecropping) acting to disperse risk for all the parties involved. Mutuality implies parity of economic power amongst different actors, and the belief that individuals participate in market exchange voluntarily and so long as it is gainful to them. Bhaduri (1986) talks about involuntary participation in market exchange, which he calls 'forced commerce'. For instance, in the context of interlocked markets, trading in the credit market can take the form of a consumption loan induced by a threat to survival. In turn, this act can lead to involuntary participation in exchange in some other market. In the context of asymmetry of economic power, one party can dictate the terms of the exchange while the other is obliged to accept it within limits. Key topics that are therefore ignored in the neo-classical camps include an analysis of how the surplus is appropriated and – equally important in situation of economic backwardness – how such surplus is utilised, whether productively or unproductively (Byres 2006). Sender (2003) maintains that the contemporary discourse of rural poverty and associated policy prescriptions is wide of the mark, in that it is based on a-historical and unexamined ideological beliefs concerning the role of the market and individual choice in explaining capitalist accumulation and distribution processes in agrarian economies. Important elements of this framework include the conceptualisation of poverty, the identifications of the rural poor, and their involvement (whether assumed, or measured) in the labour market. The next chapter tackles these issues.

CHAPTER 2: THE IDENTIFICATION OF THE RURAL POOR AND EVIDENCE ON THE VITALITY OF LABOUR MARKETS IN AFRICA

2.1 INTRODUCTION

This chapter argues that the identification of the rural poor with mostly small, 'subsistence', self-employed farmers – who rely on non-market mediated consumption of the items produced on their own farms – is not corroborated by the empirical evidence that emerges from micro, inter-disciplinary research and ethnographic studies. This chapter contends that there is too little information on rural labour markets in Africa: most researchers tend to steer clear of this topic, and the existing labour market research is overwhelmingly concerned with urban areas. Those who engage in this area of study, moreover, often maintain that labour markets are either absent or very thin; and that wage labour in particular is negligible. They also argue that where labour markets in rural areas do exist they reflect only a form of labour aristocracy and, therefore, cannot be relevant to poverty reduction. This chapter challenges these views by reviewing the available empirical evidence on the vitality of rural labour market in Africa, which shows a tendency to underestimate the extent of labour market participation. It is argued that this is due to the application of both analytical frameworks and methodologies that are not well equipped to capture the true extent of labour market participation in context where heterogeneity and differentiation, rather than homogeneity and equality, are the most relevant variables at play. Such a distorted picture is somewhat being redressed in the literature but still prevents policy makers from generating demand for labour in rural areas and contribute to eradicating poverty through job creation.

Section 2.2 critically examines the discourse on rural poverty in Africa and reviews some dominant, contrasting narrative on the direction of African livelihoods. Section 2.3 surveys the available evidence on the vitality of rural labour markets in Africa and their significance for poverty reduction.

2.2 THE NATURE OF RURAL POVERTY IN AFRICA AND CONTEMPORARY NARRATIVES

2.2.1 Characteristics of Rural Poverty in Africa: Contrasting Interpretations

Sender (2003) argues that common assumptions are often made concerning the characteristics of the poorest rural people in Africa. These assumptions, by and large, also inform the dominant paradigms critically discussed in Chapter 1, including the agricultural growth model based on the small-farm engine and (to a lesser but still significant extent) SLAs. According to these assumptions, the poor are often thought to be composed on an homogenous set of small, self-employed farmers ('small-holders', 'subsistence farmers', 'peasants'), who rely on non-market mediated consumption of the items produced on their own farms. At times, claims are put forward that a sub-group of small farm households – female-headed households – contain poorer people than other rural households. On the basis of this interpretation of rural poverty, two overarching policy conclusions are often made. First, the rural poor would benefit from the introduction of policies that provide appropriate price incentives to expand production on the farm. Second, in order for them to respond to such incentives, producers need timely and realistically priced inputs to their farming operations. Hence, it becomes imperative to provide poor small-holders with improved access to inputs and seasonal and medium-term production credit. In order to tackle the gender dimension of rural poverty, moreover, such programs would do well to focus on rural females in particular.

Such policy prescriptions have been modified somewhat in the orthodox (mainstream) literature, based on the belated recognition that: a very large number of the rural poor in Africa are landless or near-landless; and, amongst them, many rural African women have land of insufficient size or quality to enable them to farm effectively. It follows that it would be hardly possible for them to survive on the basis of consumption derived from production on their own plots. Therefore, a common recommendation to overcome (female) deprivation in rural Africa is to promote other forms of rural self-employment,

especially non-farm self-employment, through the support of micro-credit programs.²⁵ The SLAs, surveyed in the previous chapter – and their emphasis diversified livelihood packages that include both agricultural and non-agricultural activities and that are deployed as coping strategies in risky and vulnerable contexts – have provided some intellectual legitimacy for these initiatives. According to Sender (Ibid. 2003: 407):

“To summarize, hegemonic development theory proposes that poor rural women can escape from poverty if official development assistance is channelled through NGOs to promote self-employment. The problems of state inefficiency and distorted markets that constrain the viability of small farm and non-farm enterprises can be tackled politically by nurturing participatory associations of the self-employed and by making market deregulation, as well as the fragmentation (or decentralization) of the state, a condition for capital inflows.”

Sender (Ibid. 2003) goes on to propose an alternative set of assumptions about the nature of rural poverty in Africa. He argues that evidence produced by inter-disciplinary and micro-research based on the examination of demographic, anthropometric and asset indices points to some ‘stylized facts’ concerning the characteristics of the poorest rural households. In particular, the latter tend to: contain women who have failed to complete many years of education or are illiterate; contain a relatively high proportion of women who have started to have children as teenagers; be characterised by high child mortality rates and malnutrition; contain few adult males who regularly earn some income (hence women in these household are usually divorced, abandoned, and widowed); possess less assets (e.g. radios, bicycles, watches or other basic assets, including livestock) and have more precarious dwellings than those found in less destitute rural households; and contain household members (often women) who perform manual agricultural wage labour and earn wages that are crucial for the survival of their households. By contrast, the claim that the

²⁵ These include, *inter alia*, the promotion of retailing enterprises, food processing/catering stalls, hairdressing, handicraft (baskets, mats, pottery, soft toys), sewing/tailoring and small livestock enterprises (chickens, ducks, rabbits, stall-fed goats, etc.) and so on (Sender 2003).

majority of the poor rural households derive significant income from self-employment, whether agricultural or non-agricultural, is not corroborated by the evidence.

One of the reasons for this discrepancy, it is argued here, is that analyses based on the theoretical framework of SLAs and on the data that are collected through LSMS and other budget surveys fail to accurately record, and successively discriminate between, levels of labour market involvement. They also fail to distinguish between the *absolute* levels of income that rural household derive from different activities, by focusing on *averages*. However, it is important to distinguish the financial contribution of self-employment carried out by, say, a wealthy rural woman who manages the family shop from that of a poor rural woman who occasionally sells a few items of fruit from a basket in the local market. Both women would be categorized as being self-employed in the 'retail' sector. But on the basis of this evidence, it is not clear that a strategy to promote women's involvement in retailing through the provision of micro-credit (usually through NGOs) would be able to lift the poorest segments of rural women out of poverty. Conversely, this strategy may benefit the middle or better-off segments of rural women, as the latter may also be more successful to secure access to such credit opportunities, though better connection to the ruling (local) elites, and so on. By the same token, it is often suggested that households that benefit from wage income are not poorer than other households. But again, the regular salary earned off-farm – for instance by working as a teacher, nurse or secretary – cannot be lumped into the same category of that obtained, say, from seasonal wages earned as unskilled agricultural workers.

The point here is that, if no attempts are made to further disaggregate these sources of income in the poorest and richest households, it becomes difficult to establish a relationship between poverty levels (socio-economic status) and different types of employment category and/or income sources in a meaningful way (and with adverse implication for policy). Budget surveys usually do not allow for statistical disaggregation that are specific to social and income classes, and that could be more precise in indentifying the most vulnerable groups. In particular, 'unregistered' people, such as seasonal and temporary migrants, hostel dwellers, workers living in compounds, barracks,

temporary accommodation on farms, squatters, and so on, tend to be unrecorded in large surveys. In the words of Sender again (Ibid. 2003: 410):

“The exclusion of so many poor people from ‘nationally representative random sample surveys of households’ produces results that help to justify both the assumption that the rural poor are self-employed farmers and the policy focus on self-employment as a viable strategy for the poor.”

Other commentators also underline the inability of overly aggregated LSMS and other household budget surveys to correctly identify the rural poor in LICs. The data from these surveys are often used to categorize the surveyed population into ‘poor’, ‘non-poor’ and ‘extremely poor’, according to poverty lines constructed on the basis of per capita consumption measures. Subsequently, the analysis focuses on the causal factors correlated with such socio-economic status. According to Oya and Weeks (2004) there are two problems with this research. First, despite the emphasis on the multidimensional nature of poverty, consumption-based measures remain the norm and other dimensions of poverty are treated as secondary. Yet, as argued in some detail in Chapter 5, non-consumption-based measures such as asset indices have proven to be reliable and robust as proxies for wealth. The information needed to construct these indices, moreover, is easy to collect and interpret and allows for a finer breakdown of the social distribution across wealth groups. Second, it is problematic to discern the line of causality in poverty profiles, as the analysis often tends to ignore the distinction between the characteristics of the poor, and the characteristics of the ‘objective circumstances’ in which they find themselves. In other words, the salient characteristics of the poor (social, demographic, and so on), may not be fundamentally different than those of the non-poor; and to the extent that they are, this may be the *consequence* rather than the *cause* of poverty. Despite the wealth of information and data available, there is little detailed knowledge of the (survival) activities that characterise the poor and that distinguish them from the non-poor. Micro-research and ethnographic analyses of rural poverty in Africa suggest that poorer rural dwellers often tend to perform casual wage labour (e.g. working on neighbours’ plots in the village) while the less poor have some means to hire in local workers (e.g. Iliffe 1978). Historical perspectives on the

nature of (rural) poverty in Africa also seem to corroborate these findings. Iliffe (Ibid. 1987) maintains that, at the village level, the post-independence structural poor have included those unable to mobilise labour, kin support, or household members to use the land available to farm. These people, therefore, have increasingly hired themselves out to perform labour services for neighbours.

Differing interpretations concerning the identification of the rural poor also have important policy implications. The mainstream, orthodox literature – such as that examined in Chapter 1 above – offers a different set of policy prescriptions from heterodox strands that emphasise history and social differentiation in the analysis of processes of poverty reduction in LICs. According to the former, increasingly successful agricultural and non-agricultural rural businesses will eventually lift the poor rural self-employed labour force out of poverty. In a context of minimal state intervention, expanding enterprises will raise rural household income and therefore increase the absolute standards of living of both female and male household members. The latter perspective, by contrast, provides an alternative explanation, whereby rural dweller will, over time, will become wage-workers. They will initially work for wages on farms and in the non-farm rural sector as domestic servants, cleaners, waiters, construction and transport workers in small district towns. An increasing number will migrate in search of similar forms of unskilled wage employment, both to other rural areas and to larger towns and cities. Therefore, the standard of living and the rate at which poor rural dwellers can escape from poverty will be determined by the wage levels they receive in a crucial way. This discussion will be taken up again in Chapters 6 and 7, when the results of large budget surveys and micro-evidence that emerges from village studies will be critically discussed with respect to the labour market of Mauritania. What follows – before turning to the empirical evidence on the extent of labour market participation in rural Africa – critically examines some influential narratives on the changing nature of rural poverty in SSA, which draws from the livelihood and diversification literature surveyed in the previous chapter.

2.2.2 Contemporary Narratives on Trajectories of Rural Livelihoods in Africa

The previous section has discussed some of the characteristics associated to rural poverty with special reference to Africa. But what are the trajectories of change in rural livelihoods? One influential narrative of the changing nature of poverty in rural Africa is based on the evidence produced in the last few years from the 'de-agrarianisation' and rural employment research program (DARE). De-agrarianisation is defined as a long-term process comprising occupational activity reorientation (livelihood), occupational adjustment (work activity), and spatial realignment of human settlement (residence) away from agrarian patterns (Bryceson 1996).²⁶ The manifestations of this process are, in Bryceson's words (1996:99):

"A diminishing degree of rural household food and basic needs self-sufficiency, a decline in agricultural labour relative to non-agricultural labour in rural households and in total national labour expenditure, a decrease in agricultural output per capita in the national economy relative to non-agricultural output, and a shrinking proportion of the total population residing in rural areas."

It is argued that in sub-Saharan Africa (SSA) the de-agrarianization process can be understood as both a long-term historical process and as an integral part of rural households' short to medium-term livelihood strategies. In the first instance, the reasoning goes as follows: urbanization processes sharply increased in Africa in the immediate post-independence period, fuelled by the belief that cities and towns offered superior economic opportunities. However, the availability of urban industrial jobs was in many cases insufficient to absorb the population influx, fuelling the growth of an urban-based bureaucratic/parastatal sector and informal activities. At the same time, government relied on cheap staple food supplies from abroad to feed urban dwellers, in the light of low domestic agricultural productivity and high transport costs, notably during the oil crises of 1973 and 1979. This led to successful neglect of the agricultural sector, which has

²⁶ For SSA as a whole, Bryceson (1996: Tables 1 and 2) maintains that the proportion of people living in rural areas declined from 85 to 69 percent between 1960-1990. She also maintains that the agricultural labour force shrank from 79 to 68 percent between 1965-1986-89.

remained largely undercapitalized and unspecialized. As the optimism about the potential of African development prospects faded, Structural Adjustment Policies (SAPs) in the 1980s caused, *inter alia*, government and parastatal retrenchment, urban job losses and in many cases a decline in the real value of salaries. At this point, in both urban and rural areas, the population converged on a risk minimization strategy characterized by economic diversification. Household livelihood strategies involved a mix of subsistence activities, market-oriented production and trading, with a view to spreading risk over a broad range of activities. This convergence led to a higher likelihood of intersecting economic interests between urban and rural areas and 'straddling'. Also, it contributed to increase the flow of investments from urban to rural areas (from more affluent urban dwellers) and a return of (more educated) migrants to the rural milieu (Bryceson Ibid. 1996).

The proponents of de-agrarianisation have also put forward the concept of 'de-peasantisation', which is a specific form of de-agrarianisation in which peasantries lose their economic capacity and social coherence and shrink in demographic size relative to non-peasant populations (Bryceson 2000, 2002). The gist of the argument is that the returns of peasant's agriculture have become less certain over the last few decades, predominantly, although not exclusively, due to SAPs. The dismantling of marketing boards and parastatals, the retrenchment of the state, and so on, lead in many cases to increasing capital costs (e.g. substantial rise in input prices), a more uncertain market environment (e.g. feeble involvement of private sector, larger producer price fluctuation), deteriorating world prices, and ultimately loss of market shares due to external competition in staple food production. At the same time, cash requirements on agricultural inputs and equipment, community centred gift giving and food purchases have kept rising. The rise in occupational multiplicity or multiplex livelihoods is thought to have taken place in this context (Bryceson 2002a).²⁷

²⁷ Multiplex livelihood is a refinement of the concept of multiple livelihoods. The latter refer to the tendency of rural households to become involved in more than one work activity. The former notion refers to the complex multi-dimensional interplay of social, political, cultural and economic dynamics that are redefining the terms and conditions of rural work (Bryceson 2000a:2).

Interestingly, despite the rich analysis undertaken, the policy prescriptions of DARE are remarkably unoriginal. One prominent recommendation for rural households in SSA is to *retain* agricultural foundations. Food self-provision is encouraged as an economic fallback against inflation and high food prices. At the policy level, encouraging domestic staple food production could be done, *inter alia*, by banning grain imports. Other policy measures involve the reinstatement of some input subsidies (e.g. agricultural inputs should be available at affordable prices, and tailored to local climate and soil conditions), in order to prevent large farmers to be the main producers of staple foods (!). Credit schemes at the village levels, improving rural skills (notably targeting the youth), identifying opportunities for regional specialization, better roads, a re-examination of rural land tenure policy, and the promotion of rural employment in infrastructure-providing activities through public work programs are the other (more sensible/relevant) policy recommendations put forward by DARE (Bryceson 2002). One recurrent theme is Bryceson's emphasis on the allegedly high 'moral value' that is attached to farming throughout rural Africa. In the countries covered by DARE, she maintains that the majority of people interviewed associated social status with subsistence farming and declared farming their prime occupation, regardless of their earning from non-agricultural sources. In her words (Bryceson 2002a:15):

"DARE evidence suggests that while a stratum of people does achieve financial success through non-agricultural activities, the vast majority are simply aiming for a viable non agricultural enterprise to meet their day-to-day expenditure. Often, their non-agricultural experimentation is capital degenerating in nature. Under the circumstances, continued reliance on own-farm subsistence production represents a vital safety net. Subsistence farming provides some degree of food security and affirms community held values".

However, it is argued here that de-peasantisation – to the extent that it is happening as described (and notwithstanding the differences between Latin America and Africa) – could also be examined in a more positive and progressive fashion. Pereira (1997), for instance, analyses the rise of the labour movement in the 1980s in North-East Brazil (Pernambuco)

and its positive role in the democratization process. He maintains that the transformation of labour into a commodity corrodes old solidarities based on ties to the land, as in Bryceson's findings, but also opens up the possibilities of new forms of solidarity and collective action and the achievement of democratic rights. Although this potential is often unmet²⁸, rural labour can play an important role in fostering change in contexts where capitalist development in agriculture has begun to disintegrate the peasantry, but has not gone as far as that the rural proletariat has become insignificant (e.g. like in many industrialized countries today). In his words (Pereira 1997:158):

"Sometimes new working classes arise that are capable of demanding and obtaining some degree of political inclusion. When this happens, a new kind of rural politics occur in which old forms of patrimonial control are no longer viable. Under certain circumstances [therefore] de-peasantisation can lead to the rise of militant rural unionism, such as [in the State of] Pernambuco."

The DARE narrative can be compared to another one, which was developed mainly for rural Asia but has relevance for rural Africa as well (Rigg 2005). Similarly to DARE, this narrative maintains that occupations and livelihoods in the countryside are diversifying; occupational multiplicity is becoming more common and more pronounced; the balance of household income is shifting from farm to non-farm; lives and poverty are becoming more mobile and livelihoods correspondingly delocalized; remittances are playing a growing role in rural household incomes; and so on. There are some common sources that propel these changes, such as, for instance, the erosion of the profitability and returns to small-holder agricultural production; the emergence of new opportunities in the non-farm sector, both local and non-local; environmental degradation; increasing land shortages; and cultural and social change. But the policy implications of this narrative are diametrically opposed to those predicated by Bryceson.

²⁸ Many peasants who migrate to the cities often end up in urban slums characterized by violence, repression by policy and drug traffickers, and poverty. In such contexts, their citizens' rights remain unrealised.

According to Rigg (Ibid. 2005), the traditional view of many practitioners of development that depicted the world of the poor as essentially rural, and, in terms of livelihoods, an agricultural one, where (small-holder) farming predominated and land was the critical resource, may be fading away. This view purported land redistribution and the re-invigoration of agricultural production as the *sine qua non* for an escape from rural poverty. Today, however, non-farm activities are becoming more central to rural livelihoods. Moreover, an increasing number of rural households have no commitment to farming whatsoever. There is an ongoing process of de-linking of land from livelihoods, and therefore of land from poverty, and this phenomenon has happened during a phase of agricultural progress. Skills, education, networks may be replacing land as strategic assets. The production of 'new poverty' arises from the incorporation of rural communities and households into the economic mainstream through market integration. This integration, however, also offers the means by which households can escape from 'old poverty', i.e. the poverty that arises from dependence of traditional technologies, limited income, and remoteness/dislocation from the resources of the state and the market (See Table 2.1). The diversification of rural livelihoods according to this trajectory has reinforced the divide between the rich and the poor, given that activities with the highest potential for income generation are those with the highest barriers to entry and concentrated amongst middle and rich rural households; and the poor are often engaged in distress diversification, unlikely to lift them out of poverty. In areas where the condition of stabilizing the poor on the land are not propitious, and where there is a dynamic (non-farm) industrial sector, people should be assisted in the transition from farmers to non-farmers. In a nutshell, Rigg (Ibid. 2005) explicitly recognises that there are dynamic processes of social differentiation in motion. However, these are not considered in a 'bad' light (as by DARE researchers) but rather as an opportunity for rural dwellers to escape from rural poverty. In his words (Rigg Ibid. 2005:196):

"The best means of promoting pro-poor growth in the countryside may have less to do with supporting small-holder farming, whether through land redistribution or policies of agricultural development, and more to do with endowing poor people with the skills so that they can escape from farming and, perhaps, escape from the

countryside. Investing in farming and agriculture may, indeed, preferentially support the non-poor and thereby widen inequalities in the country side."

Table 2.1 Rural Poverty and Rural Production: Questions, Answers, and Associations

Questions/issues	'Old' or 'established' answers	'New' or 'revisionist' answers	Broken links/associations
Who are the rural rich?	The land rich	Both the land rich and the land poor	Livelihoods have become de-linked from farming and therefore from land
What is the best way to assist the rural poor?	To redistribute land To invest in agriculture	To re-skill the poor (Investing in agriculture is inequality widening)	Poverty and inequality have become de-linked from activity and occupation
How do we build sustainable futures in the Rural South?	Through supporting small-holder farming	Through supporting people's efforts to leave farming; by permitting the amalgamation of land holdings and the emergence of large land owners and agrarian entrepreneurs	The association of pro-poor policies with small-holder farming has been broken

Source: Rigg (2005).

2.3 EMPIRICAL EVIDENCE ON RURAL LABOUR MARKETS IN AFRICA

The remaining sections of this chapter focus squarely on the empirical evidence on the extent of labour market involvements in rural Africa. This topic is under-researched and constitutes a significant gap of knowledge in the literature on (rural) poverty reduction. First, some of the common assumptions concerning rural labour markets are examined. Second, a cursory review of the empirical evidence on the various forms of labour market exchange in rural Africa is conducted.

2.3.1 The Invisibility of Rural Labour Markets: A Gap in Knowledge

Many commentators note that researchers tend to steer clear of labour market analysis in Africa; moreover, that existing labour market work is overwhelmingly concerned with urban, rather than rural areas (Leavy and White 2000). Oya and Weeks (2004) maintain that much of the discussion focuses on the capacity of urban economies to

absorb a rural exodus. This is assumed to be an increasing phenomenon, given the crisis of agriculture in many African countries and in the nature of the development process itself. Yet, they argue that most of the new entrants in the labour force do not flock the cities to search for work to the extent typically assumed but, on the contrary, they are found in rural areas. Sender (2003) maintains that African rural labour markets are ‘invisible markets’ in current statistics in LICs. According to him (2003:414):

“ [...] In most developing economies no efforts at all are made to collect time-series data on the wages of those employed in small-scale farm and non-farm rural enterprises, especially on the wages of those who are irregularly, seasonally, or casually employed. In most of these economies, in fact, there is no reliable data on the number of people or households that depend upon earnings in these types of employment; it is simply assumed that the rural poor are, or will, become self-employed.”

When labour market analysis is undertaken, moreover, the widespread view is that rural labour markets in Africa are either absent or very thin, and that wage labour in particular is negligible, with the exception of South Africa (Mazumdar 1989). The assumption is, by and large, that self-employment dominates the African landscape, whether one considers agricultural, non-agricultural or urban informal sector employment. While there is mounting evidence pointing to the increasing importance of farm and non-farm employment – as documented below – the underlying assumptions are seldom challenged in the mainstream literature. For instance, Mazumdar and Mazaheri (2002:3), state that:

“Peasant farming dominates the economies of Sub-Saharan Africa [...]. Thus, self-employment accounts for the major part of the labour market. The self-employed, however, have become an increasingly important part of the labour market outside the farming sector. This is partly because of the growing importance of off-farm activities of peasant households but more importantly because of the large expansion of the informal sector which has accompanied the high rate of

urbanization. [...] The informal sector is generally defined to also include some wage workers, [...] but the proportion of such workers is generally small”.

Meanwhile, concerning the extent of agricultural wage labour in semi-arid Africa, Binswanger et al (1991:125) assume that:

“Proposition 2. There is no locally resident agricultural labour class. Proposition 3. There is almost no hiring or exchange of labour amongst resident farmers during the peak labour season, which in this case is the sowing and weeding season.”

Similarly, Ellis (2000:66) maintains that:

“It has been observed for many African rural settings that the market for agricultural wages is poorly developed or non-existent. This has several effects including the well known occurrence of seasonal labour shortages in agriculture due to the dependence of farm households on their own supply of labour.”

As a result of this lack of focus on rural labour markets (and the assumption of their non-existence), they remain on the periphery of policy discussion for growth and poverty reduction (Cramer et al. 2008). The practical result is that the policy debate on the constraints and possibility of expanding the demand for wage labour (including the scope for labour migration), the level of (real) wage levels paid out, the prevailing working conditions, and the legal rights of workers, is squeezed out. This is particularly disappointing, given that most of the poor in Africa live in rural areas (World Bank 2007) and that the functioning of rural labour markets – both in the farm and non-farm sectors – is critical for the success of policies aimed at reducing poverty through the creation of decent jobs. Indeed, the World Bank’s 2007 World Development Reports (WDR) maintains that (World Bank Ibid. 2007:202):

“With labour as the main asset of the poor, landless and near-landless households have to sell their labour in farm and non-farm activities. Making the rural labour market a more effective pathway out of poverty is thus a major policy challenge that remains poorly understood and sorely neglected in policy making.”

2.3.2 Rural Labour Markets: What does the Evidence Say?

Does the empirical evidence justify the scarce attention paid to rural labour market and, in particular, corroborates the assumptions concerning their absence or limited development, in the African context? As illustrated in Table 2.2, there are many types of market and non-market transactions through which labour exchanges take place in Africa.

Table 2.2 Forms of Labour Exchange in Rural Sub-Saharan Africa

Labour Pattern	Specific Labour Arrangements
1. Wage labour (farm, non-farm, off-farm) Paid in cash or kind; per month, week, day, piece-meal, and task.	- Regular/permanent labour arrangement - Seasonal labour arrangement - Casual/daily labour deals
2. Non-market based labour relations	- Tributary labour (to authorities, notables, etc.) - Unpaid labour services on the basis of coercion or ideological exploitation - Work (beer) parties - ‘Reciprocal’ labour exchanges with different degrees of reciprocity
3. Interlocking markets Linking capital and labour (debt bondage); land and labour (sharecropping and labour tenancy).	- Sharecropping - Share contract for other inputs - Labour tenancy - Pawning and slavery
4. Traditional idioms of accumulation through family size	- Additional wives - Additional children - ‘Adopting’ members of other households - Borrowing children, Pawn-ship and slavery

Source: Adapted from Leavy and White (2000) and Oya (2006).

Earlier work has documented eloquently the spread of *wage labour* in Africa by placing it in the context of the historical penetration of capitalist production since the advent of colonialism (see notably Iliffe 1983, Sender and Smith 1990). This original body of work has been supplemented in recent years by a growing body of micro-research, from diverse schools of thought, pointing to the underestimation of wage labour relations in rural Africa – as noted above – and attempting to dispel some entrenched myths. Focusing

on *agricultural wage labour* in particular, some observers argue that casual and seasonal agricultural wage employment is systematically under-enumerated and therefore 'invisible' in most conventional databases in rural Africa (Sender and Johnston 1995, Cramer and Pontara 1999, Sender 2003, Sender et al. 2006, Cramer et al., 2008). Surveying the literature on agricultural wage labour in Mozambique, Cramer and Pontara (1998:125) assert that:

"Wage labour and labour markets barely feature in the standard literature at all. In some contributions wage labour in rural areas is deemed too negligible a factor to be taken seriously. In others wage labour appears to be an implicit and implicitly worrying function of regressive land distribution. Yet in others wage labour is a feature of the big farms set up by 'external interests', but these farming enterprises are regarded as probably unviable, and if wage labour plays a role in keeping rural people alive then this is only grudgingly acknowledged."

Sender et al. (2005) note that wage workers are very numerous in both rural and urban Africa, but they are systematically under-recorded in official statistics. The authors maintain that in official statistics there is a tendency to record non-kin-related residents in households as 'unpaid family workers', instead of domestic servants receiving irregular and small amounts of pocket money, food and lodging as their wage. Weeks (2006) states that:

"In general, the magnitude of wage employment is probably underestimated in Sub-Saharan countries and self-employment accordingly over-estimated because of a tendency to assume that workers outside the formal sector fall in the latter category."

Meanwhile, writing on semi-arid Africa, Kevane (1994:839) states that:

"[There is a] myth (sometimes masquerades as theory) that village labour markets in the Sudan-Sahel are nonexistent. Some researchers argue [that] labour markets

are 'thin' or 'absent'... [but] the evidence from Sheikan District in Western Sudan supports [the evidence that] labour markets are well established, 'capitalist' and competitive."

Belatedly, even the World Bank's 2007 WDR recognises explicitly that agriculture alone (and agricultural growth based on the small-farm model) will not solve the rural employment challenge in Africa. Although the emphasis is by and large on the potential of non-farm employment, the World Bank has begun to recognise – drawing from empirical evidence and micro surveys – the growing importance of remunerated employment, including agricultural wage labour (in particular for rural females). The WDR draws the attention to the fact that, in SSA, non-agricultural employment is increasingly important, in particular for men. Hence, as men move into non-farm work, women meet the demand for agricultural labour. This phenomenon has resulted in tendencies towards the 'feminisation' of the agricultural workforce in SSA. The WDR also explicitly recognizes that working conditions in agriculture in Africa are particularly unfavourable, meaning that there is considerable progress to be made to achieve even a resemblance of 'decent work' (2007:207):

"Agricultural wage workers face significant occupation, safety and environmental hazard, rarely covered under labour protection. They are also poorly protected by national labour laws. [...]. Even when laws are on the books, low familiarity by employers and workers and poor enforcement undermines compliance in rural areas."

As shown in Table 2.3 below, according to the official statistics, self-employment in agriculture still figures as the dominant form of labour market engagement in SSA (56.6 and 53.5 of men and women respectively declare such occupational status). However, the following observations can be made by looking at the data: first of all, wage employment in both the agricultural and non-agricultural sectors is not negligible, as often assumed; second, the amount of people that are categorized as 'inactive' or 'not reported' is very high. In the light of the shortcomings of the questionnaires of LSMS and other budget

surveys on what concerns the identification of employment categories and associated sources of income (analysed above and again in subsequent chapters), it is plausible to assume that a significant proportion of these inactive individuals are in fact engaged in some form of (remunerated, either in money or kind) labour exchange. This is a point explicitly made by World Bank researchers themselves (World Bank Ibid. 2007:205):

“Labour Force Surveys and Population Census data that classify workers by their main activity typically miss large numbers of casual wage earners. In rural Africa, for example, recent in-depth studies suggest that participation in the agricultural labour market is far greater than large-scale surveys suggest, with agricultural wage employment particularly important for poor and relatively landless households.”

Table 2.3 Rural Employment by Sectoral Activity in Sub-Saharan Africa

Sector of Activity	Sub-Saharan Africa
Men	
Agriculture, self-employed	56.6
Agriculture, wage earner	4.0
Non-agriculture, self-employed	6.9
Non-agriculture, wage earner	8.6
Non-active or non reported	21.7
Women	
Agriculture, self-employed	53.5
Agriculture, wage earner	1.4
Non-agriculture, self-employed	6.8
Non-agriculture, wage earner	2.8
Non-active or non reported	32.7

Source: World Bank 2007.

The ILO (2003) maintains that in poor countries wage employment in agriculture is both pervasive and precarious and that a substantial proportion of small-holders employ seasonal and casual labour including workers under ‘informal’ wage contracts. Such labour forms are seldom associated to any form of employment benefits, with the partial exception of peak times where incentives may be put in place to ensure a steady supply of labour. Wage employment in agriculture encompasses a variety of categories – i.e. permanent, temporary, seasonal, casual, migrant, and piece-rate workers, as well as those receiving some form of ‘in-kind’ payment – as well as forms of labour arrangements based

on market transactions and social networks. Village labour markets, in particular, are characterised by casual and extremely flexible labour services, which may peak during short period of the year (e.g. during harvest time). Such labour services are sometimes not confined to the boundaries of individual villages, as poor individuals seek survival and engage in patterns of rural-rural migration (Sender 2003). For this type of work, piece-meal and task-based payments are common and their frequency on the increase, given that they lower the risk faced by employers.

Duncan and Jones (1993) survey the impact of structural adjustment (*inter alia* on rural labour markets) in five countries, Ghana, Kenya, Madagascar, Malawi and Niger. In each country, they maintain that the hiring of labour is widespread in rural areas, even amongst low-income households. In Ghana, they report that 60 percent of households hire in non-family labour. Similar evidence is provided for Kenya and Madagascar, where 32 percent of 'traditional' producers use hired labour at least once a year. Also, there is evidence that the bulk of the hired labour comes from the poorest households, although it is not restricted to them. Several other studies point to the importance of agricultural wage labour for the survival of the rural poorest in Mozambique. Cramer et al. (2008) show that in Mozambique rural labour markets have become central to the lives and prospects of poor rural dwellers. The authors show that wage labour hiring is widespread amongst small- and medium-size farmers, and not only confined to large plantation of agri-business, although the latter tend to offer higher rural wages and better condition than the former. It is important to underline, however, that the poorest rural dwellers do not always form the bulk of wage workers, and that the relationship between poverty and wage labour is not always straightforward. Poor household may resist 'proletarianisation'. This resistance is sometimes linked to the reluctance of 'household heads' to allow members of the household (e.g. women, children) to participate in the labour market. Poor household may also opt to maintain an involvement in direct farming, reduce consumption, or over-exploit family labour.

In addition to the importance of agricultural wage labour, a very sizeable literature has emerged in recent years documenting the growing importance of *non-farm employment* and earning.²⁹ Leavy and White (2000:14) maintain that:

"Farm household models have tended to assume that rural non-farm labour market is absent of that farm labour market is the main market to include in the household model, but there is growing evidence from a number of sources that the rural non-farm labour market plays a substantial role in assuring food security."

Reardon (1997) focuses on the earnings derived by African rural households from the rural non-farm labour market. He presents data on the share of non-farm income to total income from a review of 23 field studies distributed over Eastern, Western and Southern Africa during 1974 and 1993. Non-farm income ranges from 22 (Burkina Faso, favourable area) to 93 percent (Namibia, unfavourable area) of total rural incomes and its simple average share across the studies is 45 percent. This share seems to have been rising overtime, although there are no data to confirm this hypothesis. He reports a striking dominance in the areas surveyed of non-farm wage labour (as compared to self-employment), of non-farm sector earnings (as compared to farm sector wage earnings) and of local non-farm earning (as compared to migration earnings), and point to gap of knowledge in the analysis of the non-farm labour market. In his words (1997:736):

"[...] in my review of the literature I have found a substantial gap in knowledge on hired labour markets in the rural non-farm sector, on the relative size of self-employment and wage employment in the rural non-farm sector, and on the nature and determinants of rural household participation in the non-farm sector."

²⁹ There are two broad types of studies that exist in the literature. First of all, observers have focused on general trends, either considering developing countries as a whole (with the familiar distinction between Africa, Asia and Latin America) or examining the evidence emerging from specific countries (or regions). In the latter examples, there are two types of studies focusing on: (i) evidence collected through the examination of quantitative surveys, or at least a mix of quantitative data and qualitative information; and (ii) evidence obtained mainly from the utilisation of non-income data, corroborated by extensive historical research, often through detailed life-history collections.

As in the case of agricultural wage labour, the renewed interest on the rural non-farm economy (RNFE) is not new. Haggblade, Hazell and Brown (1987) found that – during 1960-1982 – rural non-farm enterprises provided the primary source of employment for estimates ranging from 3 to 60 percent of the labour force in SSA.³⁰ The authors consider these figures to be an underestimation in that they believe that rural towns and part-time and seasonal non-farm activities are likely to be excluded from most surveys. The latter activities provide secondary employment for an additional 7-30 percent of rural workers. The authors also examine non-agricultural income shares of Africa's rural inhabitants and find that on average non-agricultural shares account for 25-30 percent of total income and for 30-50 percent of rural cash income. Concerning the secondary employment of farm households' members, they maintain that farm management surveys in numerous African countries have found 15-65 percent of farmers with such employment in non-farm enterprises, and that 15-40 percent of total family working hours is devoted to non-farm activities.

Von Braun and Pandya-Lorch (1992) find that in six of the nine survey locations they examine (and where comparable data are available), households have off-farm income shares of 30 percent or more (NB. 20 percent of these households display an off-farm income share of 60 percent or more).³¹ Lanjouw and Lanjouw (2000) present aggregate statistics on the non-farm sector and calculate the percentage of rural employment which is non-farm, focussing on Asia and Africa, during 1970-1996.³² For Africa, the percentage varies between 5 percent in Rwanda to 60 percent in Nigeria. Meanwhile, Wiggins (2002) summarises the information contained in more than 45 studies surveying the RNFE, mainly in Africa, during 1991-2002. According to the evidence presented, the share of rural incomes arising from the RNFE lie in the range of 40 to 60 percent as Wiggins maintains that the share of labour spent on non-farm activities is roughly equal. As discussed above, moreover, the proponents of de-agrarianization also provide evidence of

³⁰ The authors examine surveys for the following countries: Benin, Cameroon, Chad, Ghana, Ivory Coast, Kenya, Malawi, Mali, Mauritania, Mozambique, Nigeria (W. State, 3 Districts), Rwanda, Senegal, Sierra Leone, Tanzania, Togo, Uganda, and Zimbabwe.

³¹ Brazil (Zona da Mata), Guatemala (Western Highlands), The Gambia (Central region), Kenya (Southwestern region), Rwanda (Northwest), Sri Lanka (Kandy District), Bangladesh, India, Philippines (all various locations).

³² African countries here include Burkina Faso, Cameroon, Egypt, Ghana, Kenya, Malawi, Mali, Mauritania, Nigeria (W. State), Rwanda, Senegal, Sierra Leone, Tanzania, Uganda, Zimbabwe and Zambia.

the increasing significance of non-agricultural activities, although, far from being the consequences of a dynamic agricultural economy, these trends are seen as an expression of the increasing desperation and destitution of (small) farmers as a result of the implementation of SAPs (Bryceson 1996, 2002). The DARE program, which Bryceson oversees, conducted research on de-agrarianisation in Ethiopia, Tanzania, Nigeria, Malawi, Zimbabwe and South Africa, in the late 1990s. DARE's research finds much higher levels of non-agricultural activities (defined as any work that does not directly involve plant or animal husbandry), which account in the countries mentioned for 60-80 percent of household income. While the discrepancies with earlier studies could be explained, *inter alia*, by different methodologies and survey classifications, Bryceson (2002:730) points out that:

"The recent DARE surveys and others suggest that the tendency for agricultural commodity production, combined with expanding participation in non-agricultural activities gathered momentum during the 1990s."

Non-market based labour relations are also feature of labour market exchanges. Leavy and White (2000) cite examples pointing to the pervasiveness of cooperation in labour in different regions of Africa, based on earlier anthropological work and on more recent micro-evidence. Reciprocal labour exchanges, for instance, exists amongst the Luo (Kenya) where working groups (Rika) work the land of each member in rotation for large tasks such as weeding. By the same token, amongst the Masai, households routinely cooperate in herding and watering cattle. Reciprocal relationships also cover communal labour, such as road building, field fencing, and so on. Such labour is usually organised by village chiefs, who may also have right to use labour to work their own land. Evidence from Sudan (Sheikan District), however, shows that such these kinds of arrangements are seldom reciprocal (Kevane 1994). Work parties (*nafir*) are held by the richest households, and they are considerably cheaper than hiring wage labour.³³ Yet, while it is clear that the wealthy have an interest in holding *nafir*, it is not clear why poorer people continue to

³³ According to Kevane (1994) the cost of *nafir* labour is lower than that of wage labour. By way of example, a person attending this work weeds an area only half in size of what can be weeded by a wage labourer, yet the cost of his remuneration – i.e. a meal – is certainly less than half the wages a labourer receives for half day of work.

attend them, if the returns of *nafir* are lower than those derived from wage work. According to Kevane (Ibid. 1994) norms about working parties in Sheikan are powerful influences on the resolution of the tradeoffs the labourers' need for status and insurance (e.g. maintaining social ties in the village) and the employers' need for prestige and securing labour power at low cost. The incidence of such 'reciprocal' relationship may be on the decrease, notably following structural adjustment in agriculture.

Ponte (2000) indicates that the process of agricultural liberalization in the districts of Songea and Morogoro in Tanzania, has intensified patterns of social differentiation. During the reform process many farmers have shifted cultivation from 'slower' to 'faster' crops (i.e. either crops with higher returns or with multiple selling seasons, such as beans, cabbage, bananas, tomatoes and coconut), to get faster returns from the factors of production employed (land, labour) and a continuous flow of cash.³⁴ The shift towards faster crops, which require a greater application of labour, in turn altered the pattern of labour recruitment, entailing a shift from 'traditional' to contractual negotiations of farm labour. Traditional farm labour hiring involved 'exchange labour' arrangements, whereby farm labour was constituted mainly by family, friends, clans, neighbours, who would work on the farmer's plot in exchange for food and drink or promise of reciprocal help. Recently, however, these arrangements have given way to 'contractual forms' of labour hiring, whereby workers are paid in cash, on the basis of time (per day/week) or task (piecemeal).

Interlocking markets such as sharecropping (land and labour markets) but also debt bondage (land and capital markets) are a common feature of rural labour markets in South Asia. Tied arrangements – such as tied housing, small plots of land and schooling on the farms – are reported by Sender and Johnston (2004), as explicit incentives by large farmers to reduce labour supervision and recruitment cost and ensuring the labour of a worker's wife and children in rural Africa. Leavy and White (2000) highlight some examples linked to the need of adjusting for family size and interlocking markets in Africa. The use of

³⁴ In the post-reform era, rural households have experienced greater need for cash availability, mainly due to: (i) higher education fees and health care expenditure; (ii) greater availability of consumer goods, (iii) higher cost of inputs; and (iv) legalization of businesses operations requiring regular inflows of cash.

children can be also considered as a form of interlocking contracts – in this case labour and goods markets and labour and insurance markets – as the receiving household may have to clothe and feed the child and may acquire social obligation toward the lending family. Pawning is defined as the exchange of a household member (often a female child) in return for credit, giving rise to a debt bondage relationship. Related to this (and going back to the interlinking of labour and goods markets) is the lending and borrowing of children, which in theory could serve the interest of both parties: the better off borrowing household acquires labour, while the worse-off lending household is relieved from the responsibility of clothing and feeding the child.

The next chapter focuses on the theory of the labour market, while subsequent chapters tackle explicitly the shortcomings of labour market survey instruments, with a practical application to the Mauritanian case.

CHAPTER 3: LABOUR MARKET THEORY AND ITS APPLICATION TO THE CONTEXT OF LOW-INCOME COUNTRIES

3.1 INTRODUCTION

This chapter reviews the orthodox theories that have been put forward for the analysis of the labour market. It argues that neo-classical frameworks, and in particular the notion of labour market equilibrium in all its variations, are ill-suited to the analysis of labour markets, notably in poor countries. At the core of most of the analyses surveyed here are attempts to explain the persistence of open unemployment and underemployment in the labour market of poor, largely agrarian economies; and the intensive use of labour on family farms in the presence of positive wages. As traditional neo-classical theory has run into difficulties to treat these empirical observations, a host of alternative theoretical frameworks have been proposed. It is argued here that such frameworks – which attempt to factor in explicitly market imperfections – continue to perceive the ‘peculiarities’ of employment as specific examples of market rigidity and inelasticity of price-quantity relationships. Hence, in the specialized literature, such peculiarities are treated independently, econometrically tested, seeking validation of theory on the basis of limited statistical ground. This chapter, by contrast, puts forward an alternative framework for the analysis of the labour market. This approach contends that labour markets are not only structurally differentiated from one, but also internally structured in different ways. Hence, this approach emphasises the specificity of labour; the horizontal and vertical differentiation of labour markets; and the importance of history in the analysis of labour market structures.

Section 3.2 reviews the orthodox strands of labour market theory – including dualism, theories of wage determinations and labour use – and their application to the rural areas of LICs. Section 3.3 proposes an alternative framework for labour market analysis, and its application to poor agrarian economies, drawing from classical political economy.

3.2 ORTHODOX LABOUR MARKET THEORY

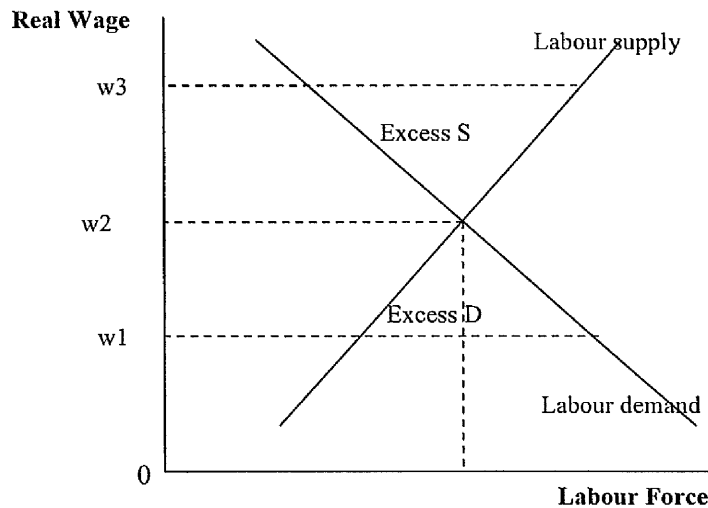
The basic framework of orthodox neo-classical economics and its conceptualisation of 'choice' and 'change' was analysed in the Chapter 1. This section reviews the orthodox theories that have been put forward in the analysis of the labour market, with special emphasis of the labour market of poor, agrarian economies. It is worth remembering that in neo-classical general equilibrium theory all markets must clear simultaneously for labour, output, money and external trade, yielding values that for each variable are unique and efficient.³⁵ In neo-classical economic theory labour is treated like any other commodity and its exchange is determined by supply and demand within competitive markets. Labour markets are where labour services are bought and sold (and mechanisms through which labour is mobilised). Employment includes both wage employment (i.e. workers are hired by an employer and receives a wage or salary) and self-employment (i.e. workers sell their labour services to themselves). Labour demand, labour supply, the determination of wages and other conditions of employment are the key elements of any conventional labour market model. Labour market policies can have an effect on a single labour market (e.g. wage-setting mechanisms, industrial relations systems, etc.), impinge upon the labour market (e.g. macroeconomic policies and investment policies on the demand side, education and training policies and the supply side, and fiscal policies), and affect the movement of workers between labour markets (i.e. hiring and firing regulations, labour market information systems, etc.) (Fields 2007a).

The most well-known diagram in modern labour economics is that of wage determination by demand and supply, also known as the market-clearing (formal) labour market model (see Figure 3.1 below). This partial equilibrium diagram usually displays the labour force on the horizontal axis, and the 'real wage' on the vertical axis. The real wage is obtained by dividing the money wage by the price of output. Other things equal, the

³⁵ Four theoretical components make up the neo-classical general equilibrium outcome: marginal productivity theory that governs factor markets, from which the aggregate level of output derives; comparative advantage according to the Heckscher-Ohlin interpretation, which determine the pattern and direction of trade via the exchange rate clearing of the external account; Walrasian market clearing, which ensures that the markets of an 'undistorted' economy clear simultaneously and instantaneously at the unique set of efficient prices; and the quantity theory of money, which determines the absolute price level, and therefore all nominal values (e.g. the money wage rate) (Weeks 2006).

demand for labour – which derives from an aggregate (economy-wide) production function, is a decreasing function of the wage: it slopes downwards because of diminishing marginal revenue product of labour and the associated substitution and scale effects of a wage change (Fields Ibid., 2007a).

Figure 3.1 Partial Equilibrium Presentation of the Labour Market



Other things equal, the supply of labour is an increasing function of the wage: it slopes upward as workers are encouraged to enter this labour market from other labour markets – and non-workers to enter the labour force – as the wage rate increases. In this labour market the equilibrating forces are the behaviour of firms, the behaviour of workers and the behaviour of wages. Depending on what is in their profit-maximising interest to do, firms are free to hire workers. Firms also react to changing market conditions, as their profit-maximising interest changes. By the same token, depending on what is in their utility-maximising interest to do, workers are free to supply their labour. When market conditions change, so will the workers' utility-maximising interest and they are free to adjust to these changes. Real wages will raise or fall if demand and supply conditions change. In this system, competition leads to full employment and wages must equate the marginal product of labour. Clearly, one of the most important conclusions of the above model is that employment generation is negatively correlated to the real wage. If the wages

are below the poverty line, therefore, there is an inherent conflict between employment generation and poverty reduction. Otherwise stated, raising wages of workers who are below the poverty line – say via public intervention – may be achieved at the cost of a slower growth in employment (Weeks 2006).

Bharadwaj (1989) argues that the basic ‘demand and supply framework of economic theory’ (DSE), developed for a competitive capitalist system, has been used to analyse the employment problems of poorer countries, albeit with the introduction of few modification to the basic framework. At the same time, through empirical work, deviations from the basic model have been observed and analysed. Early attempts sought to deal with certain ‘peculiarities’ of these economics – notably the persistence of open unemployment and under-employment. The following elements were put forward: supply shortages of primary resources (e.g. savings, capital, skilled labour); structural imbalances in factors proportions (e.g. adverse land-man or capital-man ratios); limited factor substitutability due to technological discontinuities; market imperfections such as rigid factor prices due to various barriers to entry for firms, trade unions activity, etc.; and market failures, due to structural rigidities in markets yielding erroneous price signals. Early observers, moreover, suggested that the problems of unemployment and underemployment in LICs were not due to deficient demand, that is, the type of Keynesian involuntary unemployment commonly found in advanced industrialised nations. Other theories were put forward which emphasized demographic transitions, and malfunctioning of markets due to obstacles preventing efficient resource-use and creating distorted patterns of demand (e.g. structural disequilibria at the factor level, ‘technological unemployment’, ‘technological dualism’, and so on). At the core of these models was the belief that the restricted possibilities of substituting labour for capital would impede the full employment of labour and yield capital-intensive techniques more suitable to the conditions of industrialized nations. The resulting policy implications were geared at finding ways to promote labour-intensive solutions and use implicit or ‘shadow’ prices to infer the social costs not reflected in the private market costs.

Therefore, explanations of macro-phenomena such as unemployment and under-employment were elaborated by extending micro-models, that is, by generalising micro-behaviour through a simple, if questionable, process of aggregation. Given the static nature of these analyses, however, researchers sought to overcome their limitations by emphasizing different elements, such as resource creation and mobilisation – within theories of *economic dualism* – and more detailed explanations of *wage determination*, *patterns of labour use*, and *contractual arrangements*. With the exception of the latter, these models are revised in turn below. One issue of contention is that concerning wage determination in traditional rural societies. Some observers have pointed out that neo-classical apparatus of supply and demand may be inappropriate to explain the process of wage determination in the rural labour markets of poor agrarian economies. In particular, if the wage rate is determined by supply and demand – as postulated in neo-classical theory – then it will be established at the level at which workers are willing to supply just as many work hours as they do in fact supply. Hence, the underutilization of labour arises from *voluntary* unemployment (that is, deficient demand). In poor agrarian setting, however, the ‘puzzle’ is to reconcile the persistence of *involuntary* unemployment with the positivity (and constancy, in some cases) of the wage rate.

3.2.1 Applications of Theories of Economic Dualism to the Labour Market

Dual economy models took up accumulation-oriented issues, such as the need for mobilising savings, in the context of the process of industrialization and the formation of wage labour in industry. The most famous contribution is that of Lewis (1954), who highlighted the role of pre-capitalist agriculture as a passive supplier of surplus labour and wage goods to the organized industrial sector. The ‘classical’ assumption of the availability of labour at a constant real wage to the industrial sector, and the generation by the latter of an increasing mass of surplus in the form of profits, represent the main points of departure from the neo-classical framework. Lewis postulated the steady expansion of the organised sector, under the assumption that all profits are re-invested, which is constrained only by the (eventual) increase in wages. This is not the place to embark on a detailed review of the strengths and weaknesses of this model. Suffice it to say that Lewis did not pay enough

attention at the internal dynamics of agriculture (taken as the passive sector), the peculiarities of production and exchange processes in industry (where the price-quantity relationships were analysed in a typical DSE framework), or the problems arising from deficient demand. Moreover, the developmental experience of many poor, mainly Asian, countries turned out to be different from that predicted by the model. For instance, despite the lack of buoyancy in employment generation in industry, migration from rural to urban areas did not subside in many cases, leading to unemployment, underemployment and overcrowding in town and cities. These considerations have led some researchers to put forward explanations for the paradoxical persistence of rural-urban migration in the face of rising unemployment, such as in the Harris-Todaro model (Harris and Todaro, 1970) and subsequent extensions of this model by a number of economists belonging to the neo-classical school (see Fields 2007 and 2008). These models are not reviewed here. Moreover, variations of dualism have also been applied to agriculture (patterns of labour use in the small vs. large farm), and to the debates surrounding the dichotomy between the formal vs. informal sector. These are examined in turn.

Agricultural Dualism and Theories of Labour Use

Models of agricultural dualism have been put forward to explain the observation that smaller farms use family labour intensively, and beyond the point where their marginal product falls below the market wage or approaches zero. These models rest on the assumption that there exist two broad categories of rural households: small landholders, who do not participate in the labour market, and large landowners, who purchase labour at the market wage and profit maximise. Divergent considerations for efficiency (that is, the dichotomy of objectives between small and large farmers) are at the core of this strict dualism. The focus here is on the efficient use of labour in a static, allocative context. Interactions between the two sets of producers, as well as the issue of accumulation, are not analysed (Sen 1962). While even in the neo-classical camp the most stringent forms of dualism are rejected, a weaker form of dualism is justified upon the predicament of market imperfections. The idea is still to emphasize that the institution of the small farm is optimal in subsistence agriculture. As discussed in Chapter 1, some commentators argue that small

farms are characterised by relatively high labour input (and correspondingly high yield) per unit of land, while in large farms the intensity of cultivation and land productivity are low. Hence the labour to land ratio and the yield per acre ratio are higher on small farms (Rosenzweig 1984). It is further postulated that while family labour has a strong incentive to work, hired labour needs substantial supervision. Therefore, as the hired labour force increases, the marginal product will be equated to a much higher wage rate (or, in the case of monopsony, to the marginal cost of labour). The divergence in the labour/land ratio amongst farms cannot only be explained by imperfect operations on the labour market alone, as large landowners could lease out part of their underutilized land to smallholders. Imperfections in both the labour and land market are thus assumed (Mazumdar 1989).

It is useful to note briefly here that this interpretation goes hand in hand with theories – firmly couched in the realm of neo-classical economics – that postulate market-friendly or negotiated land reforms or, more radically, redistributive land reform. The case for redistribution is made on the grounds that fragmented factor markets (land, labour and capital) and powerful systems of labour control generate underemployment and pervasive rural poverty. Small farmers adopt lower capital-labour ratios and higher labour-land ratios, as labour is relatively cheap, and land and finance relatively expensive. Large farmers, conversely, adopt higher capital labour ratios and lower labour-land ratios, given that labour for them is relatively expensive and land and capital relatively cheap. Thus, in the presence of the inverse relationship between farm size and productivity, it is maintained that a redistributive land reform would increase significantly agricultural output and accelerate agricultural growth (Griffin et al., 2002, Byres 2006 for a critique).

The existence of surplus labour and disguised unemployment under zero marginal productivity has been also rationalised by proponents of other, more extreme (and unrealistic) models, such as the ‘autarkic household’. As hypothesised by Chayanov (1986), the lack or near absence of a wage labour market in agriculture may affect the economic logic of labour allocation of the family farm. In such case, the labour and land committed to production will vary with the size and age structure of the family farm (i.e. the key determinant of the family’s output is the demographic cycle), given the lack of an

objective measure of the value of labour time, i.e. the rural wage (Ellis 2000). On family farms that rely entirely on self-employed workers, some of those workers may be redundant if the ratio of workers to land is high. On such rural farms, everybody shares the work – so nobody is openly unemployed – and also gets a share of what the family produces and an income/consumption level equal approximately to the average production of the farm. Should some members of the family be absent then the remaining member will increase their share of the total work load. Hence some family members would be disguisedly unemployed (Mazumdar 1989). However, many observers have recognized that this interpretation of the labour market in rural areas is not applicable to developing countries, even amongst neo-classical economists. Over the years, there has been a gradual shift to the belief that the land and labour committed to production is determined by how farm activities fit into a diversified livelihood strategy composed of participation into non-farm labour markets (Ellis 2000). Indeed, the norm is that in many countries family farms make use of hired labour, notably at peak season often on a casual, day to day basis. By the same token, a large proportion of the family workers offer themselves to work in the hired labour market. According to Bharadwaj (1989:11):

“[This rationalisation] pertains to a situation wherein the peasant household is considered in a vacuum, in the absence of any links with the labour market. Such isolated peasant household would be difficult to identify in any actual rural society. [...] Again, [...], the use of labour time is viewed as a problem of ‘allocation’ alone in the context of given resources. The income and leisure functions for the households may themselves be radically changed with changes in production and exchange conditions in the rural economy, particularly in the labour market.”

The existence of surplus labour and disguised unemployment can also happen under the (again, unrealistic) condition of ‘perfect labour markets’. In such context, each family member can work as many hours as wished at a given wage per hour, and labour hours can be hired at a constant wage per hour. It is postulated here that farm labourers are perfect substitute in production for family labourers, and therefore the wage rate per worker is the same on own farm or on others’ farm. There is, in addition, full information about the work

of all individuals and no uncertainty about labour returns. In such a model, the allocation of labour to production is independent of the family's welfare function, meaning that production and consumption decisions are separable and the household will, in maximising its utility, always maximise farm profit (Rosenzweig 1984).³⁶ When markets are complete, the analysis of production is greatly simplified. In particular, consumption and production are separable (when this happens, the so-called 'separation property' holds): that is, profit maximisation rules production, whereas consumption is derived afterwards, taking into account the budget constraint. There are serious problems, however, with the assumption of perfect markets. While the separation property is robust to the absence of some markets, it no longer holds if multiple markets are incomplete, in which case the household no longer maximises profits, and production decisions depend on the preferences and endowments of the households (Bardhan and Udry 1999). The empirical evidence based on data from developing countries rejects the separation property (Leavy and White 2000 cite a number of studies conducted in Africa, for instance). In the words of Bardhan and Udry (1999:11):

"It might seem absurd to begin with the hypothesis of separation. It is difficult to argue on the basis of descriptions of economic conditions in the rural areas of developing countries that it is generally the case that markets are (nearly) complete. Indeed in most developing countries where the hypothesis has been examined, it is clear that the separation property does not hold. Everywhere in Africa, Latin America and most of Asia [...] it has decisively been rejected"

³⁶ The prototype of the household used by Rosenzweig (1984) has multiple members; some members do not provide resources to the family; the household size and composition are exogenous; there is a single family utility function in which the consumption and leisure time of each member is given equal weight. The household obtains returns from the land its members work, with the land area being fixed in size. Specifically, the prototype is a household with n members and N workers, which owns a piece of land on which it produces output X , which it also consumes (or sales). Hence, the technology production and family welfare functions are given by:

$$X = F(L, A), \quad (1)$$

Where $L = Nh$, h = hours of work and X is total output.

$$U = U(c, l), \quad (2)$$

Where $c = X/n$, and $L = \Omega - h$, i.e. c is average family consumption and l is the leisure of each of the N family workers, where Ω is the total time available to each worker. Each rural household maximizes (2) subject to (1).

Second, there are problems with the concept of the unitary household, where the collective actions of utility maximising individuals are treated as if they were generated by the choices of a single utility-maximising agent. One of the restrictive conditions of such unitary models is that utility is transferable, which means that household aggregate demand is not influenced by the distribution of the utility within the household. Therefore, the aggregate choices of the households would be consistent with the choices of a single individual who controls the household's aggregate income. Becker (1981) relaxes the assumption of transferable utility and postulates that altruism prevails within the family. One household member cares about the utility of each other household member and makes positive transfers to each. The redistribution of income originating from the reallocation of gifts (provided they remain positive) by the gift-giver (the altruist, benevolent dictator) has no effect on anyone's consumption. The household is therefore indistinguishable from a unitary actor, conditional on the actions chose by the household members. According to Folbre (1986) it is inconsistent to assume that individuals are entirely selfless in the family, pursuing the interest of the collectivity, while they are assumed to be entirely selfish in the market, where there are no interdependent utilities. Once again, Bardhan and Udry (1999) maintain that empirical evidence is not supportive of the unitary household models. As they put it (Ibid 1999: 19):

"If the efficient household model cannot adequately account for the intra-household allocation of resources, it appears that it will be necessary to move towards more detailed, culturally and institutionally informed non-cooperative models of the interaction between household members".

So-called 'collective models' have emerged to allow for intra-household conflict. These models – firmly grounded in the realm of neo-classical economics – are concerned with the problems posed by the joint utility function and try to assess how individual preferences lead to a collective choice. Rarefied assumptions and mathematical elaborations are still retained in the analysis of the interaction between the individual who comprise the household. At the same time, inequalities are explained by (exogenously given and randomly distributed) tastes and preferences on altruism or voluntary sacrifice

and disagreement and struggle still play no part in the distribution of familial resources. However, according to O'Laughlin (2007:40):

"The theoretical dismantling of the unitary model is now superfluous outside rational choice theory and neo-classical microeconomics [...]. The issue remains important for neo-classical economics because it must define a unit of maximising decision making. For those who think that social processes live out relations of power, hierarchy and exploitation and are concerned with the elision between individual and collective agency, no such specification of an individual unit of choice is required or even advisable."

Another Kind of Dualism: The Formal vs. Informal Sector

A sizeable literature has developed on the so-called informal sector in recent years, including its meaning and defining characteristics (see Breman 1994 for a critical review). The common assumption is that workers prefer formal sector jobs and enter the informal sector only as a last resort. A second view maintains that the informal sector is instead a desirable sector and that workers deliberately choose it over the formal sector; a third postulates that the informal sector has its own internal dualism (Fields 2007). In the first instance, there are plenty of studies and statistics available showing that the majority of the poor in the developing world work disproportionately in the so-called informal sector, and that the earning in this sector are low, and lower than in the formal sector in a number of countries (see Fields 2008, Breman 1994). Informal sector jobs – including shoe shiners, stall vendors, would-be construction workers, newspapers vendors, sex workers, porters, beggars, hawkers, and so on – are supposed to have free entry. In other words, barriers to entry into such occupations are small or non-existent.³⁷ A different view altogether is that

³⁷ In such contexts, the wage determination processes are different from those that take place in the formal labour market. One school of thought maintains that the marginal product of labour is literally zero, that is, there is a fixed amount of income to be earned in the informal sector, regardless of the number of people working in that sector. Wages here are equated to the average product (Fei and Ranis 1964, Fields 1975). Another strand postulates that the informal sector faces a constant marginal product and that wages are equate to marginal product – rather than to average product (Harris and Todaro 1970). A third strand maintains that marginal product is positive, but diminishing, that is, when economic growth takes place and workers are drawn out of the informal sector, those who remain in the informal sector will receive a higher income than before (Harberger 1971).

workers choose to work in the informal sector, that is, they participate voluntarily in this sector. They may do so on the basis of their evaluation of the package of characteristics of the job/sector – including wages, benefits, working conditions, and so on. In the context of Mexico, Maloney (2003) presents a number of reasons that explain why workers participate willingly in the informal sector including: possibility of higher earnings, greater independence enjoyed by being self-employed, the possibility of investing the money – otherwise destined to formal sector protection – in small informal enterprises, lack of trust in the government to deliver on promises such as future pension benefits, and so on. An intermediate view between the two assumptions briefly reviewed here is to consider the informal sector, as being composed by different tiers: an upper tier with desirable jobs, and a lower tier characterized by no-barrier, low-remunerated jobs.

Breman's (1994) analysis of the labour market of a district town and its rural surrounding, in Gujarat (India), calls into question the utility of dividing the labour market into two or more segments. In his view, it would be easy to identify opposite categories of workers – those who depend on poorly-paid, unskilled, and intermittent work – and those in permanent, high-paid employment, for which formal education and skills are required. However, as the distance between these two poles lessens, the similarities in recruitment, working conditions, bargaining procedures, and so on, gradually undo the differences between various categories of labour. Horizontal segmentation, no matter how sophisticated, cannot explain vertical barriers that exists and the often-observed disintegration of usually bunched together underpaid, unorganized, unskilled labour into small and fairly independent units. In Breman's view the 'market' refers to the whole labour force, given its fragmentation, notably in the lower region of the urban economy. First of all, poor dwellers tend to enter dependency relations with social superiors, by entering a variety of contractual and sub-contractual arrangements. Claims to a minimal livelihood as the outcome of a comprehensive dependency relationship locate labour performance in the wider sphere of the social distributive system, invalidating the conclusion that employment is fully crystallised into separate frameworks with their own institutional arrangements and consistency. Hence, labour is fluid in character, without any question of differentiated and mutually exclusive sub-markets. Secondly, the distinction

between type of labour – say regular wage labour and self-employment – are seldom parallel to that between protected and unprotected labour, formal versus informal activities, or organized and unorganized employment. Breman (Ibid. 1984) also questions the fact that the informal sector consists of a multitude of self-employed people, who at most utilise their household members as labour force. On the contrary, he finds that small-scale enterprises in the informal sphere often employ non-household members. He equates this fallacy to that found in the analysis of rural India, where the multitude of small producers is identified with self-employment, regardless of their socio-economic class. In his view (Ibid. 1994:17):

“[...] The informal sector cannot be demarcated as a separate economic compartment and/or labour situation. Any attempt to do so will give rise to numerous inconsistencies and difficulties [...]. Moreover, by conceptualising the form sector in a dualistic framework and focussing on the mutually exclusive characteristics, we lose sight of the unity and totality of the productive system. Rather than dividing the urban system in two segments, I prefer to emphasize the fragmented nature of the entire labour market.”

Meanwhile, writing on South Africa, Standing et al. (1996) maintain that dualism conceals the stratified and segmented character of the labour market. In their view (Ibid. 1996:12):

“Any dualistic framework is likely to conceal much more than it reveals about the production process. This is why we prefer an approach based on fragmentation, in which the key variables for characterising labour market involvement are the degrees of security of various types.”

3.2.2 The Theory of Wage Determination: Efficiency Wages

Efficiency wage theory has attempted to model surplus labour under the usual supply and demand determination, building on a presumed link between nutrition intake and work

efficiency. Nutritionally-based efficiency wage hypotheses assume that at low levels of income there is a technically determined, positive relationship between nutritional level and labour effort per unit of time (or per labourer). Assuming that labour efficiency can be measured in efficiency units (which may not be possible), and on the basis of the (weak) assumptions concerning the characteristics of the income-nutrition effort relation, there is an efficiency wage that minimizes the cost per unit of labour effort. Hence, in order to maximise their profits, farmers in surplus labour economies would hire labourers until the marginal value product of total effort hired (expressed in efficiency units) is equal to the efficiency wage. In such setting, some workers may be willing to work at a wage lower than the efficiency wage but, given the reduction in effort associated with lower wages, farmers will not be willing to hire them, no matter how low is the wage rate per unit of time. Involuntary unemployment and positive (even high) wages therefore coexist. Removal of labourers from this system will not affect wages or output.³⁸

From a neo-classical standpoint, Binswanger and Rosenzweig (1981) maintain that the problem of the profit-maximizing nutrition-based version of the efficiency wage theory is that the unemployment equilibrium cannot hold in the long run – notably in a situation of abject poverty – given the lack of means of survival for unemployed workers. Hence, a number of variants to the efficiency-wage models – based on different sets of assumptions – have been put forward to avoid a Malthusian result. In trying to deal with the possible starvation of the underemployed, collusion between landlords to lower wages – because of social pressures – has been postulated (landlords' altruism). Hence, additional people who find wage employment at a wage below the profit-maximising (efficiency wage) level are underemployed in the sense that they transfer out of agriculture would not lower output. Other theories (Stiglitz 1976) assume that family farms have egalitarian concerns about the consumption of family members (workers' altruism). Other observers maintain that the

³⁸ In the formal sector of modern economies, models that explain above-than-market-clearing wages invoke institutional forces, which include minimum wages, trade unions, public sector pay policies, multinational corporations and labour codes. Efficiency wages theory maintain that firms will pay higher-than-market-clearing wages to achieve higher profits, but only if the gains in productivity from doing so outweigh the costs. Gains in productivity are realised if firms can hire better-quality workers (i.e. workers with higher qualifications or better performers) from a heterogeneous labour pool, or if workers of a given skill level performs in a more productive manner (e.g. because of better nutrition, improved morale and so on). Under these models there exists unemployment as an equilibrium outcome. However, unemployment here occurs because firms (rather than employed workers) do not want to reduce wages – as their profits will be hurt – even though some workers will be willing to work for lower wages rather than remain unemployed.

nutritionally-determined efficiency wage model holds seasonally: when labour demand is low (slack season), the efficiency wage is the floor below which the wage does not fall despite seasonal unemployment, while when labour demand is high (peak season) the supply and demand framework applies (Rodgers 1975). A further variant of the efficiency wage theory has been put forward to explain the incentives that employers have to place a high premium on quick and ready availability of workers for some operations. This is linked to the desire of ensuring a steady work-force with low turnover or absenteeism – to promote the emergence of a disciplined work-force in industry – or, in agriculture, reducing the costs and risks of delay in labour recruitment, notably in context of weather dependence in the crop cycle (seasonality).

A further explanation of why wages may remain above the market-clearing level invokes supply side explanations. In all the examples above, it is the employer who resists the possible undercutting of the wage by the involuntary unemployed. The type of labour market described here is a casual one in which hiring takes place afresh very day. In such a market, the assumption is that the daily wages starts out initially above the market-clearing level, say because the wage rate was set at peak season and now the economy is in the slack season. The theory of labour markets maintains that – in such conditions – unemployed workers would offer to work for lower wages, rather than remain unemployed. However, the unemployed will not undercut the established wage because, if the demand of labour is inelastic, the total wage bill paid to labour over a longer period of time (e.g. a month, a year) will be higher, the higher the wage rate. In this case, the wages are maintained above market-clearing level by the behaviour of the unemployed. This representation of the labour market suffers from some shortcomings, including attempt from workers to enter personalised relationships with employers to ensure job security in exchange for the latter accepting a wage in slight excess of the market-clearing wage. In addition, this model looks exclusively at the supply side of the labour market, ignoring potential attempt of cooperation by employers, who usually face less acute collective action problems (Osmani 1990, and Datt 1989 for a critique).

Bardhan and Udry (1999) state that the testable implications of nutritional efficiency wages run counter to the (limited) evidence in the rural sector of poor countries. For instance, there is variation in agricultural wage rates in response to variation in demand and supply parameters, which do not seem to fit with the wage rigidity suggested by the models (this is fixed by the physiological nutrition-productivity relationship of the theory). Bharadwaj (1989), moreover, maintains that examples exist where employers offer a higher wage to 'better' workers. In addition, labour-tying arrangements to reduce turnover costs or the existence of discriminatory wages on the basis of information concerning the ability of different workers are not entirely uncommon. However, what she finds problematic is the generalisation of these different systems of labour use and wage fixation into a demand and supply equilibrium theory. First, the issue of employment (e.g. labour use and returns to labour) needs to be examined in relations of the household ensemble of livelihood strategies and not only within the labour market (e.g. labour transactions could be linked to transactions in other markets such as credit, say by providing a loan to the employee). Secondly, it is limiting to look at the wage as the only or effective instrument of labour allocation. In sum, many of the theories examined, all couched in the realm of neo- (or new neo-) classical economics, struggle to functioning of rural labour market in LICs. The next section proposes an alternative analytical framework.

3.3 TOWARDS A RADICAL POLITICAL ECONOMY FRAMEWORK

Critiques of the orthodox labour market theory have come from a variety of camps. Institutional economics (in the new neo-classical camp) have criticised the assumption of frictionless, perfectly competitive labour markets with a monotonic demand curve given the existence of transaction costs. Segmented labour market theory – which postulates that the labour market consists of various segments with qualitatively distinct types of employment – has also challenged some of the most restrictive assumptions of neo-classical models and appears more suitable to the variety of labour market outcomes observed in developing countries. These models, however, remain firmly couched in the terms of rational, utility-maximising individual agents (Fields 2007a). It is maintained here that the various models of the labour market that factor in explicitly market imperfections

continue to share the same basic theoretical approach of the more rarefied, neo-classical models. Moreover, the shift from macro-economic modelling of the labour market to micro-research implementing the sophisticated tools of game theory – aimed at introducing diverse objectives, varieties of constraints and strategies of action – have not contributed in any fundamental way to examine the close link between labour-use with the path and pace of accumulation. By the same token, the various peculiarities of employment – such as the existence of open unemployment and under-employment in the presence of a positive wage, the co-existence of different production relations and tenancy forms, and so on – are seen as deviations, rigidities in the system, market imperfections, and specific examples of inelasticity of price-quantity relationships. Hence, in the specialized literature, they are treated independently, econometrically tested, seeking validation of theory on the basis of limited statistical ground (Bharadwaj, 1989).

A third strand of critique of the neo-classical apparatus – and one that challenges its very theoretical foundations – has been developed by radical political economists. In this strand, the belief is that labour markets are not only structurally differentiated from one another – in the sense that they are segmented – but also internally structured in different ways. The focus of the analysis here is on labour market structures, relations, and processes attached to their reproduction and transformations (Fine 2006). After formulating a critique of the labour demand function (in the next section), the rest of this chapter focuses on those approaches.

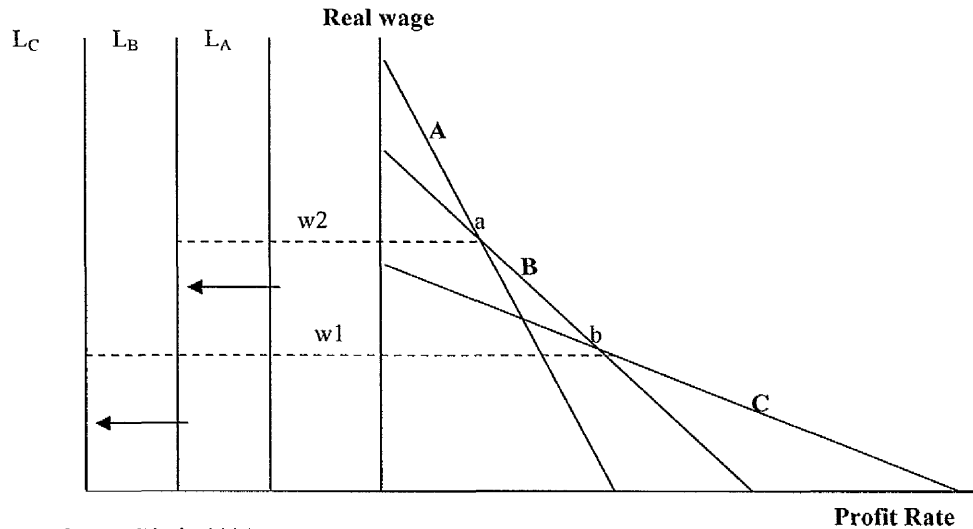
3.3.1 Critique of the Labour Demand Function

The standard labour market diagram, described above (See again Figure 3.1), can be subject to a number of criticisms.³⁹ First of all, the labour demand derives from a production function which presumes the various outputs of the economy are always produced in the same proportions. This is tantamount to saying that the economy produces only one output. But in the real world there are many outputs on the production side, and

³⁹ This section draws heavily from Weeks (2006).

they do vary depending on their capital-labour ratios; hence, the labour demand function can't be unique at each wage level. The neo-classical aggregate demand for labour is thus relevant for the special, unrealistic, case where the economy produces only one output: by keeping the function $L_d = F(w)$, the demand for labour cannot be generalised beyond one output. A second criticism that can be levelled against the neo-classical labour demand function is that it assumes that the economy has no demand constraint. This implies that: each point on the function corresponds to the maximum output that can be produced with the associated amount of labour; the employer expects that the output associated to a particular point on the function can be sold before choosing the corresponding amount of labour. Hence the notional demand for labour is equated to the effective demand for labour here, as the only possible outcome for the labour market is full employment. The resulting equilibrium, determined by the intersection of the demand and supply curves, is also hypothetical. The usual assumption in economic textbooks is that, besides job search, wage rigidity is a cause of unemployment. A third problem of the above diagram is that the labour demand cannot be shown to be downward sloping, the result of the substitution of labour for capital as the real wage falls. In the neo-classical world, the production of the same output can be attained at any moment by a variety of techniques which are technically efficient and involve different capital-labour ratios. Employers change or 'switch' to a technique with a lower capital output ratio the real wage falls. Conversely they switch to techniques with higher capital-output ratios when the real wage rises. The empirical question of whether it is possible to use more labour with an existing capital stock is not contemplated. Figure 3.2 shows that 'switching' to different techniques can generate a downward slope in the labour demand.⁴⁰

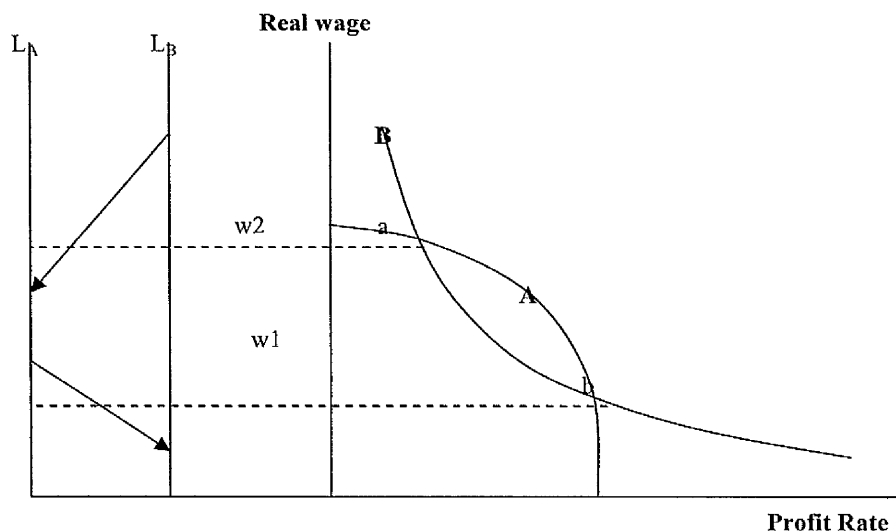
⁴⁰ The lines are based on the following basic distributional equation: $y = wl + rk$, where y = value added, w = real wage rate, l = level of employment, r = profit rate, and k = capital stock. The relationship, 'trade-off', between the profit rate and the wage rate can be written as follows: $r = y/k - w[l/k]$; $w = y - r[k/l]$ (weeks, 2006).

Figure 3.2 Capital-Labour Substitution in a One Commodity Economy (Special Case)

Source: Weeks 2006

In the figure, three techniques (A, B, C) are depicted to produce the same output. For a real wage above w_2 , Technique A is the most profitable, with the highest k/l . Technique B is most profitable between the real wage levels given by w_2 and w_1 , while Technique C is the most profitable below the real wage level w_1 . The levels of employment associated with each technique are shown on the left-hand side. As Figure 3.2 translates into the labour demand function in Figure 3.1, it can be noted that a long-run relationship (that is, switching technologies), has been interpreted essentially as short-run behaviour. However, in real economies, switching rapidly production technologies (capital stock) in response to momentary changes in wages is both non viable and expensive. Hence, even if instantaneous adjustment were accepted, the standard labour market partial equilibrium diagram has little, if any, relevance to labour markets in the short-term. Moreover, the lines representing the trade off between wages and profits are not linear. This is evident in a two-commodity example, where there is an output (the consumption good), and an input (the capital good) (See Figure 3.3).

Figure 3.3 Capital-Labour Substitution in a Two-Commodity Economy (General Case)



Source: Weeks 2006

In this case, the curve will be bowed out with respect to the origin (Technique A) if the input has a higher capital-output ratio than the output (is more capital intensive); and it will be bowed inwards if the output has the higher k/l (Technique B).⁴¹ Moreover, any two trade-off curves must intersect twice if all values are positive (they are by definition). The concept of factor intensity, therefore, breaks down if the curves intersect twice. By the same token, the generalisation that lower wages result in more labour-intensive techniques also breaks down. Why? The aggregation of the capital stock explains this apparently contradicting result.⁴² The measurement of the capital-labour ratio is k/l for each product within a technique. But the value of the aggregate capital stock is inversely related to its relative price, which changes as the profit and the real wage change. Hence, technique B is the most profitable above w_2 (with employment level L_B) and below w_1 ('re-switching', with employment level back to L_B), while technique A is more profitable between w_1 and

⁴¹ The Technique A for this economy can be summarised as follows: $pka_1 + wla_1 + rpka_1 = 1$ and $pka_2 + wla_2 + rpka_2 = p$, where: ka_1 and ka_2 are the quantities of capital required to produce one unit of the output (good 1) and the input (good 2); la_1 and la_2 are the quantities of labour required to produce one unit of each good; r is the profit rate on capital, and is assumed to equalise across the two goods; w is the unit real wage rate, assumed to equalise across the two goods; and p is the price of the capital good in terms of the consumption good ($p = p_2/p_1$). The two equations can be solved for the relative price of the capital good, p , set equal to each other, then the combined equation solved for either the profit rate or the wage rate: $r = (1 - wla_1)/(ka_2 + w[ka_2la_1 - ka_1la_2])$. If $ka_2la_1 = ka_1la_2$, then the wage-profit trade-off reduces to $r = y/k - w[l/k]$, as above. This is the case of an economy with only one output. In the general case, $ka_2la_1 \neq ka_1la_2$, and the wage-profit trade-off is either convex or concave (Weeks 2006).

⁴² That is, in order to produce a unit of output, the same physical quantities of capital and labour characterise both techniques: how could then one be labour-intensive for some wage rates and capital-intensive for other wage rates?

w₂ (with employment level raising to L_A). The conclusion of this analysis is that in the realistic case of a multi-product economy, the aggregate demand for labour is not monotonically related to the relative price of labour and capital. Otherwise stated, employers will not necessarily choose techniques that employ more labour in the presence of lower wages.

3.3.2 Radical Critique of Neoclassical Labour Market Theory

Radical Political Economy and the Labour Market

As discussed above, the relationship between markets and efficiency is straightforward in the micro-economic theory found not only in most undergraduate textbooks but also in much of the academic literature. Markets function in such a way to allocate scarce resources among competing agents; and competition leads to equilibria that are efficient, in the sense that they are superior to other feasible alternatives. To be sure, orthodox theory does contemplate the existence of externalities and other types of market failures, but these are generally treated as qualifications to the fundamental relationship between market outcomes and efficiency. 'Radical Political Economy' (RPE), it is argued, provides an alternative way to conceptualise economic processes. It leads to a different, more complex set of conclusion concerning the relationship between market outcomes and economic efficiency, by bringing into the framework three fundamental propositions. First of all, RPE considers the role of politics in economics, that is, it conceptualises economic processes as being dependent on institutional arrangements that embody issues of power and authority (say, of dominant groups vis-à-vis subordinate groups). Second, it considers institutional change and those institutional arrangements that enforce the authority of dominant groups. Such arrangements, it is maintained, are less efficient than some feasible alternative arrangements. Third, RPE pays special attention to the historical contingency of economic structures, in the sense that existing economic structures have no *a priori* claim to optimality or efficiency but are contingent results of particular historical developments. Such propositions can be applied to the analysis of any market, including the labour market. In the field of labour economics, RPE work includes analyses of the political

structure of firms, labour market segmentation and social structures of accumulation within labour market institutions (for a review, see Rebitzer, 1993). However, this body of work continues to be remarkably 'mainstream', implementing some of the tools of neo-classical economics. Indeed, RPE's intellectual and methodological stance has been defined as an 'offspring' of both neo-classical and Marxian economics. According to Rebitzer (1993:1395):

"[...] The RPE has adopted 'neo-classical economics' concerns with the careful analysis of the behaviour of individual economic agents [...and...] makes extensive use of theoretical and statistical techniques developed for neo-classical economics. As a result [...] the RPE literature has been highly critical of such fundamental Marxian constructions such as the labour theory of value, and the tendency of technical change to depress the aggregate profit rate."

In fact, according to Fine (1996) neo-classical economics has evolved to embrace a role for (the more radical theories of) segmented labour markets, through its ability to develop a theory of market structures. Neo-classical theory has managed to provide an explanation of how socio-economic structures within equilibrium are created by the aggregated behaviours of optimising individuals. By incorporating structures and institutions on the basis of methodological individualism, the neo-classical orthodoxy has managed to set out and conquer other social sciences, which in turn have offered little opposition. In some cases, a marriage has been celebrated between radical and neoclassical theories: where this has happened, the process has entailed the incorporation of a few structural insights into the neo-classical orthodoxy, and the exclusion of the main theoretical and methodological insights of radical political economy. This phenomenon has happened as well in the labour market field. As illustrated above, orthodox economics treats labour like any other commodity; the same theoretical framework of supply and demand that is applied to other factor inputs is also applied to labour. Moreover, the extensions of labour market models based on concepts such as, *inter alia*, human capital, market imperfections, customs and notions of fairness, do not make labour unique in any way. The intellectual origin of many

of these concepts is to be found outside the labour market field of study; for instance, informational asymmetries are associated with the market for 'lemons', second hand cars.

In the view of Fine (Ibid.1996), however, there are characteristics that set labour aside from other commodities. Commodities outside the labour market (say oranges or lemons) cannot represent themselves, albeit indirectly by their buyers and sellers (that is, the buyers and sellers of oranges, or lemons). While labour can also be represented indirectly by others (e.g. trade unions), the activity of working – that is, the subject of exchange – is intimately attached to the worker hence s/he is necessarily, directly, involved. By contrast, the sellers of lemons or oranges do not continue to accompany them, after the sale has been made. The human agency involved in the sale and purchase of labour is inseparable from the worker, and this is what makes labour different from other commodities. Another important question which is set aside by orthodox economists concerns the distinction between labour and labour-power (or the capacity to work). It is not only labour that is bought and sold on the market, but labour-power. And the amount of work actually delivered, as well as its quality, depends upon conflict within the production process itself. According to Fine (Ibid. 1996:257):

"[...] the value of labour-power, the equivalent in labour-time which is paid for the capacity to work, is different from the actual amount of work that is delivered and must exceed that value of labour power if capital is to make a profit. Thus, what differentiate the labour market from other markets is that it contains a commodity that has the potential to create more value than it does itself command in exchange. This [...] is the source of surplus value from which all forms of exploitative revenue – profit, interest and rent – are derived."

Therefore, what is unique to the labour market is the direct association of the seller to what is sold; and the fact that it is labour-power, not labour, which is bought and sold. Value theory focuses on the key aspects of the capitalist society – such as the exchange between capital and labour whereby capital monopolises the means of production while labour needs to sell its labour power to access a livelihood – in ways that methodological

individualism simply cannot do. Socioeconomic structures and structuring (i.e. between classes, between production and exchange, and between the economy and society more generally) and agents and processes, determine labour market outcomes and should be the starting point of the analysis. Structures need to be reproduced and transformed, and economic forces of capitalist accumulation do not interact harmoniously with one another. Hence, there is no such notion as that of equilibrium.

Value theory also has an historical component: the way in which the economy is structured and economic forces are currently integrated is dependent upon how outcomes have materialised in the past. Fine (Ibid. 1996) consider a few fundamental characteristics of the labour market, which are not captured and cannot be explained by frameworks based on neo-classical theory. In particular, labour markets cannot be examined in terms of equilibrium outcomes. It is a fallacy to assume that within labour markets there are forces that operate more or less harmoniously and efficiently to grind out equilibrium levels of employment and associated working conditions. Secondly, labour markets are differentiated from one another, and there exist empirically recognisable labour market segments or structures. While labour markets are structurally differentiated from one another – in terms of being separate or divided – labour markets are also internally structured in different ways. This means that labour markets structures, relations and processes – attached to their reproduction and/or transformation – are peculiar to different labour market and crucially depends on the underlying socioeconomic determinants. Third, horizontal and vertical factors determine market structures. The former include, for instance, differentiation by gender or skills, that is, factors that potentially prevail across all sectors of the economy; the latter refers to the structuring within particular sectors of the economy. This allows for the incorporation into the analysis of factors that pertain to labour markets and the economy and those that relate to the broader processes of social reproduction.⁴³ Finally, if equilibrium is rejected, then it is necessary to show how labour market structures have historically arisen and how they are socially reproduced and transformed. The analysis of labour market structures needs to incorporate the underlying

⁴³ Fine (1996) pays particular attention here to the value of labour power, from the standpoints of productivity in the production of wage goods – and the way in which workers are rewarded – and differentiation in patterns of consumptions across the workforce and more generally in society.

socioeconomic factors in an integral way. In particular, these factors include those arising from the relations between capital and labour (and its associated tendencies, such as productivity increase, deskilling, monopolisation, and so on) and the profit imperative.

A Classical Political Economy Framework for the Analysis of Rural Labour Markets

How does the analysis above relate to that of the labour market in LICs? Bharhadwaj (1989) provides an illuminating and elegant treatment on the formation of the (rural) labour market in countries where agriculture continues to be the main occupation of the large proportion of the working population, and drawing in particular from the experience of South Asia. She is particularly interested – besides the levels of employment and wages – in the changing characteristics and particular forms of labour processes as the accumulation process proceeds. This entails an analysis of the relationship of the survival strategies of households that are compelled to sell labour and the strategies of the surplus appropriators, against the background of the industrialization and development processes. The central issues in the analysis of the rural labour market are the growth of wage labour, which is deemed ‘tardy’ in agrarian economies experiencing industrializations; the pace of commercialisation and capitalist development in agriculture, with a particular focus on patterns of land tenure and labour use (e.g. the persistent survival of petty cultivators alongside landless or near-landless households); and the heterogeneity of labour and the coexisting multiplicity of exchange systems. The treatment is extensive and will not be summarized here. However, few central ideas are worth highlighting. First, in a poor, predominantly agrarian economy, the process of formation of the labour market entails a closer study of the interaction of survival strategies of households (dependent on selling their labour) and the strategy of the appropriators of surplus in the process of development led by state policies. Hence, the formation of the labour market cannot be analysed in isolation from development in the wider economy as a whole. Rural employment cannot be treated in separation from the macro processes of accumulation in the economy. Second, within the rural economy, the rural labour market cannot be analysed in isolation: the household’s demand for and supply of labour are only a part of the totality of survival (or exploitative) strategies that are geared to producing a livelihood. Third, conceptualising

rural dwellers as atomistic individuals making autonomous decisions – vis-à-vis the survival strategies – seems less relevant, and the households becomes the more relevant unit of decision-making.⁴⁴

For practical purposes, in order to understand the production and exchange processes in the rural economy it is useful to classify – according to the specificity of the areas under investigation – rural households in different categories. Social differentiation can be analysed by dividing households depending upon their access to resources and the level of surplus they produce on average. Byres (2006:234) maintains that it is useful to think in terms of a poor peasantry, a middle peasantry and a rich peasantry, whose precise characteristics will vary with time, place and circumstance, according to the degree of capitalist penetration in the countryside. Different strata of peasants can be identified in terms of holding size; whether they produce a regular surplus (as well as what kind of surplus); whether they are net hirers in or out of labour; whether they are heavily indebted; and whether they are compulsorily involved in interlinked markets. In the context of rural India Bharadwaj (1978, 1989), for instance, proposes a number of household categories: chronic deficit households in perpetual debt (Category I); households that are merely able to survive, e.g. distressed, small cultivators (Category II); households with a sizeable surplus, which respond to market stimuli (Category III, price takers); and households with substantial surpluses, whose surplus reinvestment and marketing decisions affect the terms and conditions of exchange (Category IV, dominant parties). The implementation of careful classification would yield the ‘natural position’ of rural economy under study and in order to get a view on how the surplus is generated, appropriated and distributed.

Subsequently, it is necessary to study the exchange systems in the main market of the economy – output, credit, land and labour – with a view to understanding the nature and terms of the participation of the different categories of rural households in these markets. In addition, the study of the supply and demand for labour needs to be carried out, once again for each of the household categories identified. The strategies adopted by different households concerning labour use depend on a number of constraints: the resources that

⁴⁴ There are problems, however, with the notions of the household, which will be briefly analysed in Chapter 5.

are available and/or accessible to the household (e.g. land, labour); the household's access to various exchange systems in one, some, or all markets for output, credit, land and labour; the opportunities for hiring labour in or out; and the options available to the household, including opportunities to migrate for individual members of the households. Researchers should focus on the analysis of surpluses generated at the household level – on the basis of observed production and exchange processes at work – and the way in which such surpluses are reinvested, both in terms of patterns of investment (e.g. consumption loans, transfers) and forms of investment (e.g. the credit system). This analysis should be accompanied by a parallel analysis of how external interventions such as state policy or technological change affect the generation and appropriation of surplus, its distribution in the village economy and its reinvestment.

The analysis of the labour market in Mauritania, notably in Chapter 7 when dealing with selected rural villages, will broadly apply the analytical framework developed in Chapter 1 and explicitly recognises the particularity and specificity of the labour market and processes of labour market formation, as discussed in this chapter. Moreover, to the extent allowed by the availability of data, the analysis will attempt to follow some of the steps reviewed in the approach put forward by Bharadwaj, notably concerning the classification of households according to determined criteria. What is retained here is, *inter alia*, that the neo-classical apparatus of supply and demand is not best suited to analyse the labour markets of LICs in general, and Mauritania in particular, not even when the most stringent assumptions are relaxed through the introduction of market imperfections. By contrast, an approach based on the specificity of labour; the horizontal and vertical differentiation of labour markets; and the importance of history in the analysis of labour market structures, will be retained. Thus, writing on Mozambican rural labour markets, Cramer et al. (2008:363) maintain that:

"[...] Relationships between workers and employers cannot be understood within a simple framework of supply and demand, or in terms of information [...], supervision and transaction costs in imperfect markets. More fundamentally political processes, themselves influenced both by longer-run history [...], and by

recent events and interventions [...] help to account for most of the specificity of the labour market. This is particularly so in a context in which, arguably, the relations of capital and labour and the social parameters of the labour force participation are in flux, the 'rules of the game' are shifting, and power (exercised by employers over workers, by men over women) can be brutal and paranoid."

CHAPTER 4: THE LABOUR MARKET DISCOURSE AND THE POLITICAL ECONOMY OF MAURITANIA

4.1 INTRODUCTION

This chapter discusses the main issues related to labour market policy in Mauritania, as well as the salient characteristics of country's complex political economy. It is argued that the attention paid by the Mauritanian authorities in recent years to the creation of decent employment, as a major route out of poverty, has been insufficient. Both PRSPs, produced since 2000, are notable for the absence of core sections on employment. In part, this is due to the paucity of labour market data. The existing information on the labour market can be extrapolated exclusively from a handful of large, nationally representative surveys. However, these official statistics tend to cover, at best, the enumerated, formal urban and rural labour markets, and, possibly, the upper tier of the 'informal' sector in both areas. This chapter also argues that some elements of the country political economy – notably the 'cultural aversion' of some groups of people to manual work, the social barriers to entry for certain activities, and the preference of new urban residents to wait for access to the political patronage system rather than taking more direct steps to secure their livelihood in the labour market – are useful to understand the labour market interactions under scrutiny in Chapter 6 and 7. As it will emerge there, exchange processes in the labour markets of Mauritania are neither uniform nor equal for all participants, and are determined not only by 'prices' but also implicit or explicit non-price factors, such as personal dominance and power.

Section 4.2 provides a snapshot of Mauritania's economy and reviews the discourse on labour market policy. Section 4.3 focuses on the key features of Mauritania's political and economic history, up to the last coup d'état of August 2008. Section 4.4 discusses race, politics and the unresolved 'national question' that continues to be one of the elements that prevent Mauritania inability to embark on a stable political and economic path, and one assembly of factors that shapes labour market experiences.

4.2 THE MAURITANIAN ECONOMY AND THE LABOUR MARKET CHALLENGE

4.2.1 *Growth and Poverty Reduction*

Endowed with natural resources and home to only 3.0 million people, Mauritania had a Gross Domestic Product (GDP) of US\$ 3,6 billion and a per capita GDP of \$1,196 in 2008 (IMF projections, 2008).⁴⁵ Mauritania's economy has been dependent on natural resources since the 1950s: iron ore first, then combined with fisheries, and more recently oil, gold and copper. Since February 2006, Mauritania has also become an oil exporter, although technical problems have kept production well below initial expectations. Net revenues from oil are expected to average around 3 percent of non-oil GDP until 2011 before shooting up to around 10 percent of non-oil GDP in 2012. This translates into around US\$ 100-130 million a year until 2011, before doubling.⁴⁶ Despite the relatively effective framework put in place by the authorities – notably during the 'transition period' (see below) – for a transparent management of oil revenues, the legacy of rent-driven growth is not propitious for the effective use of the projected oil rent (Auty and Pontara 2008).

The country has gone through massive structural changes. Whereas at independence (1960) barely one fifth of the population was settled in towns and villages, nomads today constitute less than 5 percent of the population. The post-colonial capital, Nouakchott, dominates the urban settlement hierarchy and hosts over 50 percent of the urban population and around a quarter of the national population (GIRM 2000).⁴⁷ The severe drought of the late-1960s and early-1970s caused many Mauritaniens to seek refuge in the cities and the sharp increase in aid flows made it possible for most of them not to return to their rural homelands. The attractions of returning were also diminished by the relative neglect by successive governments of the rural sector, both in terms of policy focus and investment. As a result, the importance of agriculture and – to a lesser but still significant extent –

⁴⁵ Non oil growth has averaged around 5 percent since 2000, and it projected to remain at that level in the foreseeable future. Over all growth peaked in 2006 (11.4 percent) and declined dramatically in 2007 (1.0 percent) because of the sharp decline in oil production (IMF 2008).

⁴⁶ Exports consist mainly of iron ore, fish, copper, gold and oil, which in 2008 accounted for 18 percent of total exports.

⁴⁷ Overall, in 2000, the rural population has been estimated at 62 percent (GIRM 2008).

livestock, has diminished overtime, due to the demise of traditional livelihoods.⁴⁸

Poverty is still pervasive in Mauritania, affecting 46.7 percent of the population. It is mainly a rural phenomenon although urban poverty is on the rise. In 2004, the rural poor made up approximately 75 percent of all of Mauritania's poor. Between 2000 and 2004, the overall poverty incidence declined from 51 to 46.7 percent, the net effect of declining poverty in rural areas (from 66 to 59 percent) and increasing poverty in urban areas (from 28 to 29 percent). Over the same period, the Gini coefficient remained at 0.39, indicating that the moderate decrease in poverty did not make a dent on inequality (see Table 4.1). The Government has set ambitious targets to improve the country's human development.⁴⁹ The objectives of the PRSP-2 (GIRM 2006a) are closely aligned with the MDGs, and in some cases exceed them. However, recent work conducted by the World Bank concluded that with current resources and policies Mauritania is highly unlikely to reach most of the MDGs (see Magnoli-Bocchi et al., 2008).

Table 4.1 Incidence of Poverty and Relative Contributions by Region (2000-2004)

	2000 (in %)		2004 (in %)	
	P ₀	C ₀	P ₀	C ₀
	Incidence	Rel. Contribution	Incidence	Rel. Contribution
National	51	100	47	100
Rural	66	80	59	75
Senegal River Valley	77	35	66	17
Other Rural	60	45	57	58
Urban	28	20	29	25
Nouakchott	29	12	26	13
Other Urban	27	8	33	12

Source: GIRM 2006.

Looking forward, Mauritania needs to grow faster to achieve its ambitious objectives. But the risks are substantial. Many countries with large non-renewable natural resource wealth tend to lag behind comparable countries in terms of real GDP growth, social indicators and political stability (Sachs and Warner 2001, Sala-i-Martin and Subramanian 2003, Collier and Hoeffler 2002). Analysing the initial conditions of Mauritania on the eve

⁴⁸ In 2006, services accounted for 40 percent of GDP, agriculture and livestock 30 percent (with livestock making up just less than two-thirds of this magnitude), mining 12 percent, oil 12 percent, and fisheries 6 percent (IMF 2007).

⁴⁹ The 2008 Human Development Index (HDI) ranked Mauritania 140th out of a total of 177 countries (UNDP 2008).

of the oil era, some observers maintain that the country displays a distorted economy and dependent polity that tends to prioritize rent redistribution over wealth creation. In addition, Mauritania's capacity to create wealth is constrained by the legacy of past 'Dutch disease' effects – induced by a high volume of aid and rural-urban migration (Auty and Pontara 2008). The easing of resource constraints – as the exploitation of oil and other natural resources gets underway – might reduce the authorities' commitment to the ambitious program presented in the PRSP-2.

4.2.2 The Labour Market Challenge in Mauritania: Data, Policies, and Obstacles

Availability of Labour Market Data

Job creation in recent years has become more problematic and complex in Mauritania. The traditional definitions of 'employment' and 'unemployment' are less pertinent, as the boundaries between the two concepts have blurred. The flurry of activity that has mushroomed in both urban and rural areas in recent years does not lend itself to easy categorization, nor has it been accurately captured in the official statistics. Accurate information on employment patterns is a *sine qua non* of relevant policy making, but currently the data gaps on labour markets in Mauritania are considerable. GIRM (2008) maintains that despite the creation of the Employment Observatory in 2003, within the National Agency for the Promotion of the Employment of the Youth, this structure has not been given the financial or technical means to monitor the evolution of the main labour market indicators. According to Rosanvallon (2006), until 1997 statistics on the main labour market indicators were not collected. As a result, in the 1990s the debate on the nature and magnitude of unemployment was been largely absent in Mauritania, and – when it took place – it was supported by anecdotal evidence rather than hard data. The National Institute of Statistics (ONS) took stock in 2003 of all the work (research, surveys, and so on) conducted on labour market issues in Mauritania since 1990, which points to the lack of significant outputs, low levels of results dissemination and, above all, low usage of available data in policy making. The review, for instance, maintains that the last available study on the rural labour market – which offers a very aggregate picture of rural

employment on the basis of 1993 data – dates back to 1996 (Sidiya et al. 1996). This study maintained that the great majority of the rural population in – 68 percent amongst sedentary people and nearly 90 percent of nomadic people – was engaged in agricultural and livestock activities, without giving further details on the type of employment, nature of activities, levels of payment, forms of labour use and relations, and so on (see Table K in Appendix 2). More recent analyses of rural employment in Mauritania are practically non-existent, bar the RLMS whose main results are analysed in Chapter 7. By the same token, the latest available analysis of the sprawling ‘informal’ sector dates back to 1992 (Charmes 1994). In general, the series of national household surveys (EPCV 1996, 2000, 2004) constitute the only data sources on employment (with a bias on urban areas) considered relatively reliable. However, as discussed in Chapter 5, these surveys have a limited section of their questionnaire focussing specifically on a few employment variables. Additional sources of information concerning employment in Mauritania, yet even more limited in scope than the EPCV, are the 2000 Census and the 2001 Health and Demographic Survey.

In sum, policy makers in Mauritania have very little data on the basis of which they can formulate a meaningful labour market policy. As a partial consolation, one notes that data scarcity on the labour market is not something specific to Mauritania, but to Africa as a whole. Sender et al. (2005), for instance, maintain that data on labour supply and employment are difficult to obtain in Africa, and are less reliable than other socio-economic indicators. Indeed, Weeks (2006) points out that, notably in Africa, information on employment and unemployment come from institutions – such as Ministries of Labour – that are chronically underfunded and lack capacity.

Current Labour Market Policy in Mauritania

As decent employment is a major route out of poverty, it might be expected to be at the heart of the poverty battle in Mauritania. This is currently not the case. The authorities have produced two PRSPs to date, in 2000 and 2006, and both documents include unemployment indicators and desired unemployment targets for the medium-term.

However, the mechanisms through which such targets could be achieved are not described in any detail. Neither document defines the promotion of employment and/or 'decent work' as top priorities for poverty reduction. By way of example, the PRSP-2 – completed in October 2006 – proposes an ambitious poverty reduction strategy based on a set of sound macroeconomic, structural, and sectoral policies through 2015 and tackles the fundamental question of how to manage natural resource wealth (oil, minerals, fisheries) in a transparent way.⁵⁰ However, the focus on employment generation and promotion (EGP) – as a key driver of poverty reduction – is underplayed. Employment is treated as a passive variable, influenced by macro-economic policies aimed at generating growth, rather than an active variable capable of fostering processes of accumulation and poverty reduction. EGP is treated as a cross-cutting theme, generally linked to: the macro side (wage bill, competitiveness); the performance of public administration (salary structure, civil service reform); the promotion of technical and vocational education and training (TVET); the promotion of (labour-intensive) small and medium-size enterprises (SMEs); and social protection (e.g. pension systems) (GIRM 2006). By and large, these 'policy areas' are more relevant for urban settings, and concern essentially the enumerated, formal sector. In terms of rural employment, while the second pillar of the PRSP-2 focuses on the need to stimulate rural growth through sectoral policies (in agriculture, livestock, fisheries) there is little reference to the rural EGP both in the farm and non-farm sectors. The lack of discussion of the need to expand rural employment, considering the fact that the great majority of the poor are concentrated in rural areas in Mauritania, is a major one.⁵¹

Looking again beyond Mauritania, Nkurunziza (2007) carries out an analysis on 21 PRSPs produced in Africa as of 2004, assessing the degree to which EGP is reflected in the documents, excluding whether or not the employment goals are translated into action. The evaluation is based on a share of positive answers to a set of 116 questions covering the diagnosis of the employment situation in each country. The analysis, in particular,

⁵⁰ The strategy presents an action plan for the medium-term (through to 2010), articulated around five pillars: accelerate growth and maintain macroeconomic equilibrium; anchor growth in the economic environment of the poor; develop human resources and generalize access to basic social services; improve governance and build capacity and reinforce pilot programs, monitoring, evaluation, and coordination (GIRM 2006).

⁵¹ Rural employment generation is not mentioned, bar in a box summarizing the key findings of the RLMS, which will be reviewed in depth in Chapter 7.

examines the policies/mechanisms that are in place for: creating employment opportunities; improving the conditions of employment; targeting for employment purposes, at the group, regional, and sector levels; and quantifying the impact of policies on different dimensions of employment. Amongst the 21 country, he maintains that the only one with a PRSP displaying medium-high employment content is Tanzania. Some 13 countries have PRSPs with medium-low employment content and a further 7 – including Mauritania – low employment content. In his words (Nkurunziza, 2008:172):

“Most of the full PRSPs have medium-low or low employment content, leading to the conclusion that the overall employment content of the PRSPs is weak. This finding contrasts with several political declaration made by African leaders over the last three decades on the centrality of employment creation in the process of economic development. The issue is, therefore, how to translate these declarations into action.”

Despite the low employment content of the Mauritanian PRSP, an interesting phenomenon in recent years has been the establishment of a multitude of government directorates, organizations, associations, groups, which aim in various ways at strengthening the capacities and entrepreneurial spirit of individuals/groups.⁵² The focus has been predominantly on fostering innovative practices in the domain of micro-finance, at the decentralized/local community levels (often through the involvement of NGOs), and developing profession training modules, targeting both the demand and supply sides. The proliferation of centres of decision making concerning training and employment poses considerable problems, and calls for a thorough institutional reform. These initiatives invariably boil down to promoting TVET with a view to augmenting the possibilities of finding a job. In particular, the belief that the rate of growth of employment opportunities (notably self-employment) is positively associated with entrepreneurial and other skills has

⁵² In the Central Administration, the following directorates cover in some sort of capacity employment issues: the directorate for studies, statistics, and planning, the employment directorate, the directorate charged with the promotion of the integration of vulnerable groups into the labour market, the directorate for technical and professional training, the directorate for social security. In addition, a number of agencies depend directly from the Ministry of Labour, including: the national agency for the promotion of youth employment, the national institute for the promotion of technical and professional training, the centre for advanced professional training, the lyceum for technical and professional training, the centre for technical teaching, the social security institute, and the national office of labour health (GIRM 2008).

underpinned the rationale of providing (non-government) TVET, notably for the informal sector. However, a careful evaluation of TVET initiatives has not been carried out to date and anecdotal evidence shows that they remain limited, poorly targeted and reversible (Rosanvallon 2004). Looking, once more, beyond Mauritania, some commentators maintain that in Africa there is evidence suggesting that the impact of TVET initiatives is mixed. According to Sender et al. (2005:49):

“There is little evidence demonstrating that TVET succeeds in upgrading the necessary skills for successful entrepreneurship, or even for adequate survival, on the basis of self-employment in this demand-constrained and saturated sector. There is also insufficient evidence to support the view that there are real opportunities for the poorest, least visible rural labour entrants to escape from poverty through self-employment.”

Obstacles to the Elaboration of a Sound Labour Market Policy

Very recently, a comprehensive new National Employment Strategy for the period 2008-2012 has been elaborated, but due to the political turmoil it has not been approved at the time of writing (GIRM 2008).⁵³ The strategy is a welcome break from past practice and presents a good analysis of the main factors that prevent the elaboration and implementation of sound labour market policies in Mauritania. First of all, GIRM (2008) maintains that the capacity of the national economy to create employment is low. The employment generation of the modern, formal sector – in both urban and rural areas – is estimated to be limited to around 16,000 jobs a year, against a demand of around 30,000 (Ibid. 2008). The ‘informal’ sector, it is argued, has the potential to create jobs, but the limited knowledge of this sector together with the absence of a strategic vision confines it to the margin of the policy discourse. Clearly, as argued in greater detail in Chapter 7, one

⁵³ The strategy includes seven axes: the development of vocational training, the reinforcement of job seeker skills, the promotion of partnerships with private sector to promote employment, the streamlining of labour regulations, the promotion of an information system on job opportunities, and the strengthening of coordination, monitoring and communication on labour market issues (GIRM 2008).

fundamental question confronting policy makers at the macro-sectoral level is the choice of economic policies they intend to follow. By way of example, the political choice to date has been to enter lucrative commercial fishing agreements with the EC, yielding around €80-100 million a year for the national budget in the past decade or so. However, the flip side of this policy choice is that the domestic fishing industry generates little value added and employment (around 30,000 people in total) as up to 80 percent of the annual fish catch is landed abroad (mostly in the Canary Islands) or trans-shipped. In practice, the Mauritanian authorities have decided to forgo the development of a national fishing industry. Moreover, the artisanal fishing industry – which in Senegal, despite a lower fishing potential than Mauritania, employs some 400,000 people – has been systematically underfunded. And what exists of the modern fishing industry, notably fish processing plants in the economic capital and important fishing port of Nouadhibou (but also in Nouakchott), suffers from inadequate infrastructure, high factor costs, and frequent power shortages.

Secondly, the education system and technical specialisation seem inadequate to cater for the needs of the Mauritanian labour market. The education system has witnessed a massive expansion of primary and secondary education, although the quality of teaching has stagnated or deteriorated and the drop-out rate continues to be high. Despite the overall increase in educational levels, the analysis conducted in Chapter 6 shows that the returns on education, in terms of employment and earnings, are generally weak in Mauritania. An increasing proportion of young adults who cannot find decent employment have low levels of education, or levels of technical expertise that do not match the demands of the Mauritanian labour market. A case in point is the demand for semi-skilled labour such as masons, plumbers, electricians, and other personnel in the tourism sector, which is currently met by migrant labourers from other African countries (including Senegal, Mali, Guinea and Algeria). This phenomenon could possibly be related to the ‘reluctance’ of some Mauritians to manual labour, irrespective of its nature, possibly due to the rapid and ‘forced’ sedentarisation of a largely nomadic population in increasingly sprawling urban areas. According to the World Bank (2009), interviews with private sector reveal the existence of skills mismatches in the economy. Results indicate that education curricula are

somehow disconnected from the (formal) labour market needs, with a predominance of certain specializations such as law, economics and geography over specializations demanded by private sector, such as engineering, accounting, mechanics, architecture and agronomy. The World Bank (2009) argues that there is little information on the private sector's demand for skills. It recommends the compilation of more detailed data on the specific needs of the business sector, also to identify the existing skill gaps.

Other factors prevent the elaboration and implementation of a sound labour market policy in Mauritania. Amongst the starkest is an absence of structured social dialogue between the parties concerned, that is, the state, private sector and trade unions. In particular, the framework put in place to enhance the public-private dialogue on employment generation is not working well, and in need of revision. Moreover, the administrative bodies in charge of employment and the social security systems are weak, and have been unable to modernise the legal and regulatory framework to stimulate employment generation by the private sector while protecting the labour force and guaranteeing its rights in a predictable way. Finally, the mushrooming of governmental agencies and other entities that in some capacity intervene in the labour market, and the lack of coordination amongst these entities, as noted above, have resulted in fragmentation of policies and initiatives in a context that badly needs consolidation and the development of a coherent strategic vision (GIRM 2008).

Before turning to the analysis of the Mauritania labour market proper, conducted in the rest of this thesis, it is argued here that the some of its salient characteristics – notably the ‘reluctance’ of some groups of people to manual work, the stigma associates to certain activities, and so on – can be better understood by critically discussing the main characteristics of the country's complex political economy and ethno-cultural composition. It is hoped that some of this material can be used to understand exchange processes in the labour and other markets in Mauritania, which are neither uniform nor equal for all participants. These exchanges are determined not only by ‘prices’ but also implicit or explicit non-price factors, such as personal dominance and power. In Mauritania, as elsewhere, the processes of independence, democracy and nation building have been

imbued by the vestiges of 'traditional beliefs', 'tribalism' and inherited social inequities of varying intensity, articulated in practice and ideology, which have continued to generate both conflict and negotiation at the local and national level. Hence, the remaining part of this chapter focuses on the political economy of Mauritania since independence, with particular emphasis on the salient episodes in the country economic, social and political history and the still unresolved 'national question', which centres on race, language and access to the means of production and the repartition of wealth.

4.3 FROM PRE-COLONIAL TIMES TO THE DEMISE OF THE SECOND REPUBLIC

4.3.1 The Pre-independence Period

In Antiquity, 'Mauretania' was an independent Berber kingdom on the Mediterranean coast of north Africa (named after the Mauri tribe, after whom the Moors were named), corresponding to western Algeria, and northern Morocco. Hence, the kingdom of 'Mauretania' – annexed to Rome in 40 AD – was not situated on the Atlantic coast south of Western Sahara, where modern Mauritania lies. The character of the present-day Mauritanian population reflects the waves of migration from north and south that began in the third century A.D. Berbers migrated from the north in the third and fourth centuries – displacing the Bafours, the original inhabitants of Mauritania and ancestors of the Soninké – and later in the seventh and eighth centuries. In the ninth century, Berber groups formed the Sanhadja Confederation, which controlled the easternmost trans-Saharan trade route. A group of Sanhadja zealots – known as the Almoravids – came to power in the eleventh century, following the breakup of the Sanhadja Confederation. They established an empire that in 1090 AD extended from Spain to Senegal.

The second wave of migration, as the influence of the Almoravids waned, lasted over six centuries and stemmed from the expansion of the black Sudanic kingdoms of Ghana, Mali, and Songhai. The kingdoms eventually expanded from the south into what had been Berber strongholds. A third wave, once more from the north, saw various Yemeni Arab groups infiltrating southward. By the late seventeenth century, one Yemeni group, the Bani

Hassan (or Hassaniya), came to dominate all of what is now known as Mauritania, founding a centralized emirate, while the black population moved towards the Senegal River basin. Pre-capitalist socio-economic formations comprised two distinct modes of production: a tributary mode in the south; and a pastoral nomadic mode in the centre and north. The former system was characterized by a tribal corporate landholding system and a sedentary mixed economy. Security of tenure was maintained by paying traditional taxes to the ruling chieftains representing the authority of the emirs. The latter system consisted of extensive livestock rising, involving constant mobility and particular techniques of production. Here, livestock rather than land constituted the social wealth, and collective access to land and individual or familial ownership of animals were the norm. Small city-states or emirates were ruled by warriors in close alliance with religious brotherhoods (Bennoune 1978).

In these cities, there was a petty commodity sector controlled by artisans, and a mercantile sector specializing in long-distance caravan trade. European traders (Portuguese, Dutch, French, and English) began to appear on the Atlantic coast after 1434 and established trading posts. The gradual French conquest of Mauritania came from the south: a first attempt of securing the right (north) bank of the Senegal River was made in 1889 and met with some resistance from local chieftains and the Emir of Adrar.⁵⁴ Mauritania was declared an official protectorate in 1903 under the orders of the Governor General of West Africa. But the French military occupation of Atar took place in 1910, and it was only in 1920 that Mauritania was transformed by decree into a colony and placed under the control of a Lieutenant Governor.⁵⁵ Mauritania's traditional tribal chiefs became indispensable to the colonial masters. According to Bennoune (Ibid.:37):

"Because of the immensity of this barren territory and the existence of a traditional class system elaborate enough to maintain the social control of subservient

⁵⁴ Bennoune (1978:35) maintains that Atar, in the region of Adrar, became the capital of anti-colonial resistance from the end of the 19th century to 1910. An alliance was formed between Atar, Chinguetty, Ouadane and Oujeft, including the nomadic population of the vicinity. Sporadic resistance continued as late as 1934.

⁵⁵ Part of the French Federation of West Africa (AOF – with Senegal, Guinea, Dahomey, Ivory Coast, Mali, Nigeria and Upper Volta), Mauritania was divided into nine geographical circles, each administered by a military commander assisted by a council of indigenous notables (Bennoune 1978).

populations, the French colonial authorities relied largely on the semi-feudalist and tribal sheiks to govern the remote hinterland."

In the 1930s the intrusion of colonialism was accompanied by the penetration of capitalism in the Mauritanian society. This phenomenon took various forms, including: an increase in trade transactions within the country and with neighbouring countries, the imposition of taxes extracted from the indigenous population (and the resulting siphoning off of 'surplus value' under various forms from direct producers) and the introduction of French manufactured products on the market. The latter phenomenon in particular resulted in the demise of some artisanal industries and increased production for, and dependence on, the market by agriculturalists and pastoral nomads. A class of traders, intermediating between the direct traditional producers and the capitalist enterprises/market, emerged in the 1940s and 1950s.⁵⁶ Population growth accelerated dramatically. Pre-colonial socio-economic structures and traditional producers struggled to survive in the new environment. Large-scale migrations both to urban centres and the groundnut plantations of West Africa took place in the 1950s. In 1958 between 60,000 and 80,000 migrants worked outside Mauritania and most of them were recurrent migrants (about 48 percent of the active male population had migrated at least once every five years, draining the local economy of its most dynamic labour force). Therefore, besides integrating Mauritanian producers into the capitalist market, colonialism also created the conditions for the exit of some segments of the Mauritanian labour force from the 'archaic' pre-capitalist sector. At the same time, Mauritania saw the birth of political activities/movements of contestation, which led to the formation in 1958 of the *Parti de Regroupement Mauritanien* (PRM), to whom the French handed independence in 1960. It was Mauritania's leading political figure and first president, Moktar Ould Daddah, who was able to achieve the pretence of unity as Mauritania celebrated its independence on November 28, 1960. According to N'Diaye (2006:424):

"[...] President Ould Daddah was on his way to forging a Mauritanian national

⁵⁶ Traders also operated outside Mauritania's borders: 12,000 Mauritanian traders were operating in West Africa in 1956, according to Bennoune (1978).

identity. Thanks to a consummate policy of ethnic and political balancing, he had deftly kept in check underlying ethnic, cultural, and political tensions [...]. On the international scene [he] pursued relations and policies aimed at entrenching the traditional role of Mauritania as a link between sub-Saharan Africa and Arab-oriented North Africa."

4.3.2 The Post-Independence Period: The Rise and Fall of Working Class Demands

Daddah declared the end of the multi-party system in December 1961 and regrouped several smaller parties into the *Parti du Peuple Mauritanien* (PPM), which progressively tightened its grip on most institutions of the state, including the (limited) press and the trade unions. The PPM was a "vanguard" party, following a Soviet/East European style, and was decreed the sole legal political organization in the country in 1964. Hence, the decade 1965-75 was characterized by a quasi-dictatorship under Daddah's rule and by the exploitation of the country natural resources, notably iron ore and fish. However, the tensions that would emerge in future years were simmering below the surface. Pazzanita (1996:577) maintains that:

"The PPM made little progress in establishing a universal system of education, did not extend the party's roots very deeply into the general population, adopted a passive attitude towards the ubiquitous ethnic schisms in the young state, and increasingly flouted what constitutional norms were there."

At independence the productive forces were barely developed in Mauritania, despite the penetration of capitalism. This was reflected in the relative absence of modern social infrastructure, such as electricity, paved roads, railways and hospitals. The press was non-existent and there was no public radio. Some observers maintain that in such an environment no genuine radical nationalist movement could have flourished. Two facts are noted: first, it is argued that Ould Daddah's party rose thanks to the support (and manipulations) of the colonial master, France; second, the former colonial power sought to position itself to take advantage of the rents of the nascent mining sector, which in a few

decades would become the motor of the Mauritanian economy. Bennoune (1978:41) maintains that:

“French recognition of Mauritanian national sovereignty in 1960 did not alter the colonial status quo. The state apparatus inherited from the pre-1960 period was kept intact in its basic structure, function and finality, but was perfected and strengthened to preserve the interests of foreign multinational corporations, with only a gradual change on the political, administrative, and military personnel in favour of the indigenous emergent predominant classes.”

Since the end of the 1950s, mining rose as the key sector of the Mauritanian economy. The *Société Anonyme des Mines de Fer de Mauritanie* (MIFERMA) was set up in 1952 by big European steel companies under the auspices of the French state. It made massive investments, and the pace of iron ore extraction accelerated from 1.7 million metric tons in 1967 to 11.4 million metric tons in 1972. Linkages with the rest of the economy were limited, however, as the iron ore was produced in the north and shipped off to the port of Nouadhibou. A significant amount of surplus – some estimate around two thirds of total receipts from sales – was channelled to Europe. The labour force at MIFERMA was highly polarized, characterized by an underpaid indigenous proletariat on the one hand and an overpaid – mainly European – management team on the other. Recurrent droughts and the demise of traditional livelihoods (notably pastoral nomadism, agriculture) caused a process of pauperisation that triggered massive rural to urban (and international) migration during the 60s and 70s, profoundly altering patterns of employment and survival strategies (Bennoune 1978). The very fast process of sedentarisation since independence caused a massive injection of people into barely developed urban labour markets in the main centres. Yet, in 1972, there were only around 30,000 wage and salary earners in Mauritania, of which a third was employed by the civil service and two-third worked in the extractive industries and other private business, out of a population of around 1.2 million people (Charmes 1994).

Bennoune (1978) argues that the combination of exploitation by international capital

and the resulting structural changes opened the doors to the emergence of a new political nationalism, willing to assert Mauritanian controls over resources. At the same time, the emergence of an embryonic working class could be discerned (Seddon 1996), consisting of mine, track and railroad workers, construction and port workers, and the urban and rural unemployed or underemployed. The first strike against MIFERMA took place in Zouerate in 1968, and was hailed as the first notable opposition to the 'neo-colonial' system by the *Union de Travailleurs de Mauritanie* (UTM). This movement, of Marxist inspiration, appealed to many segments of Mauritanian society, transcending ethnic/community identities. The protest crystallized at the end of the 1960s around the *Mouvement Nationale pour la Démocratie* (MND). More labour agitations took place during the 1970s, often violently crushed by the army.

However, workers' demands became progressively captured by the nationalist aspirations expressed by the ruling classes – aiming at the 'Mauritanisation' of natural resources and at redefining the relationship between Mauritania and France. This group was mainly composed of high level civil servants who – while still practicing a frugal lifestyle – felt invested with authority and prestige, spoke mainly French (ignored by the majority of the population), and treated with condescension the aspirations of the dominant segments of the 'traditional society', ready to acquire their emancipation from the colonial masters (Seddon, Ibid. 1996). Bennoune (1978) argues that the Mauritanian ruling class sought to appease the nationalist elements as well as the progressive opposition by adopting a rhetoric based on the needs for economic development and political democratization internally, and a policy of (conservative) pan-Arabism externally. Internally, the rhetoric was based on five key principles of 'Islamic socialism'.⁵⁷ On the external front, a number of significant measures were taken between 1972 and 1974. In 1973, Mauritania became a member of the Arab League. In the same year the country began to loosen its ties with France by withdrawing from the Franc Zone and establishing its own currency. The mining industry was nationalized and MIFERMA became the

⁵⁷ These were: the nationalization of key sectors of the economy, the elimination of exploitation of man by man; the systematization of punishment and reward; state control of basic public services; and a mixed economic sector in which the state is associated with international or national private enterprises. Bennoune (1978:49) defines this program as 'rampant demagoguery' and 'radical verbalism'.

Société Nationale Industrielle et Minière (SNIM) in 1974. The UTM was brought under the control of the PPM in 1973, and its leadership remained in the hands of Daddah's appointees until 1981. Many other sections of the opposition were successfully absorbed into the PPM and de facto (cleverly) neutralized (Seddon 1996).

4.3.3 The Opening of a New Era: The Taya Regime

In the second half of the 1970s, allegations of the increased corruption of the élite (a common feature of subsequent history), the mismanagement of the economy notably as a result of the resource-draining West-Sahara conflict, and the growing poverty and destitution amongst the population led to a situation of high political instability and coups. Ould Daddah's regime was overthrown in 1978, and in 1979 Mauritania withdrew from the Western Saharan conflict.⁵⁸ Between 1979 and 1984 Mauritania saw a number of short-lived coups d'état. On the 12 of December 1984, Maaouiya Ould Sidi Ahmed Taya overthrew Premier Lt. Col. Mohamed Khouna Ould Heydalla. Terms that have been used to describe the Taya years include, *inter alia*, 'Toyota democracy', 'hijacked transition', 'authoritarian restoration' – accompanied by 'shuffle-mania' in the rotation of office holders (Marianne 2001, Jourde 2001, Marchesin 1994, Ould Cheick 1994, Ould Ahmed Salem 1999).

Taya's regime profoundly marked the history of Mauritania. Under his rule, the *Parti Républicain Démocratique et Social* (PRDS) was created to 'civilianize' the military regime. A new Constitution – building a powerful presidential system – was submitted to a national referendum and approved in 1991, marking the beginning of the second Republic. Taya craftily manoeuvred to remain head of state for just over 20 years by controlling the coup-prone army, securing the support of the business community and, more importantly, embracing the democratization process and the economic reform bandwagon in the 1990s (Ould Ahmed Salem, 1999, N'Diaye, 2006). Marianne (2002) and Jourde (2001) maintain

⁵⁸ In 1976, when Spain relinquished control of Spanish Sahara, the territory became Western Sahara and was partitioned between Morocco and Mauritania. This move left Mauritania (as well as Morocco) in conflict with the Polisario Front, a group of nationalist guerrillas fighting for independence for Western Sahara. Between 1975 and 1978, the Mauritanian army bore the brunt of Polisario's attacks.

that the 'conversion' to democracy was made necessary, *inter alia*, by the need to reconcile with the country's financial sponsors (notably France), in the aftermath of Mauritania's support of Saddam Hussein during the first Gulf war. Taya forged a *grand compromise*, an arrangement that brought together the Arab-Berbers groups of Smassides, Oulad Bousa, and Ideewali – as well as some of the ruling black African elites (see below) – which together formed the backbone of the PRDS. His regime was characterized by a military oligarchy based on neo-patrimonialism – i.e. a system where relationships of loyalty and dependence pervade a formal political and administrative system – though a predominant party system using the same way of governing (Marianne 2002). Legislative and Presidential elections were held in 1992 and 1997 and 2003. Taya won the latter comfortably, while the PRDS reinforced its domination. Although Mauritania had party pluralism and not a hegemonic party system as elections were contested, the widespread control of state resources by the PDRS virtually killed off the rise of any realistic challenge from an increasingly splintered and fractioned opposition.

During Taya's years, regionalism and tribal identities, solidarities and conflicts played an important part, alongside the establishment of political pluralism. The increasing income disparity between the élite and the rest of the population progressively fostered a process of wealth redistribution towards a clientele chosen because of ethnicity, tribalism or status within the cast system of Mauritanian society. Fractiousness within the dominant groups encouraged the leadership to maintain power by using state control of productive activity in order to generate resources to sustain a clientelistic patronage system.⁵⁹ Ould Ahmed Salem (1999) describes a system where the political élite sought and obtained the support of the dynamic businessmen élite, while the *milieu d'affaires* set out to conquer the 'state market'. Rent-cycling has been (and continues to be) traditionally centred upon Nouakchott. Large private trading monopolies and inefficient state-owned water and electricity companies were permitted to skim rent from the urban economy at the expense of domestic private producers whose margins have been shrunk by high-cost water and

⁵⁹ According to Pazzanita (1996) the opposition in Mauritania was notoriously splintered and ineffectual, thanks to the capacity of successive regimes to divide and rule, but also to the division within the opposition and the absence of a veritable populist discourse even though the country's affairs are heavily affected by external Arab, North American and European interests, particularly in the economic realm.

intermittent power. The monopolies also dominated bank credit at the expense of small and medium-size businesses (potentially the most dynamic economic agents), whose perceived 'high risk' elicited interest rates of 20 percent or more. Large firms with political connections have dominated state procurement contracts and reserved domestic markets for imports, even in the presence of cheaper local producers. One common manifestation of rent economies is the lack of competition in the formal sectors of the economy. Micro-risks, such as weak property rights, non-transparent judiciary, and widespread corruption contribute substantially to this phenomenon.⁶⁰

A further legacy of rent-driven growth was the gradual emergence of a dependent form of 'social capital', defined here as the system of formal (legal and institutional) and informal (personal) interactions within society. As mentioned earlier, the massive rural-urban exodus that began in 1940s, and then again in the late 1960s, led to the accumulation of thousands of nomads in urban areas – seeking to cash in from the sale of their animals on urban markets – often in vast shanty towns (Koita 1994).⁶¹ This mass migration *de facto* transferred local extended family links to the national economy. New urban residents relied on the hospitality of relatives and waited for access to the political patronage system rather than taking more direct steps to secure their livelihood in the labour market. This system required successful urbanites to redistribute income to those less fortunate, as the urban labour market has been unable to absorb workers effectively and guarantee a decent standard of living for their families. However, the social safety nets afforded by the extended family have come increasingly under strain as wealthier urban residents found that although their incomes rise the obligations to the less fortunate become increasingly onerous. Such concerns added to the pressure for ministers to distort policy to help this impromptu social safety-net. The net effect has been to diminish the efficiency of resource use and retard the emergence of a competitive economy (Marianne 2002, Auty and Pontara

⁶⁰ According to Francisco and Pontara (2007) perceptions of corruption can be potentially misleading. Corruption is not considered to be one the most taxing factors impeding firms' growth in Mauritania. Yet its cost to firms is significant and higher than in the comparator group's countries. This means that corruption is internalized by firms and considered common, accepted practice. Alternatively, firms may fear reporting corruption practices for fear of retaliation. Medium-sized firms are the most likely to pay bribes and pay the highest amounts in percentage of their total annual sales, which places a heavy burden on their ability to grow.

⁶¹ Nomads constituted around 65 percent of the population in 1962, 25 percent in 1977, only 12.8 percent in 1988 and less than 5 percent today.

2008).

4.3.4 A Succession of Military Coups

The strategy of the Taya regime was also the cause of its fall. In 2001, as internal and external pressure for change begun to mount, he embraced the foreign policy of the Bush administration, and supported the fight against 'Islamic terrorism' in North West Africa. The attempted coups of June 2003 – led by officers and soldiers from the Oulad Nacer, a Beydane eastern tribe – and 2004 were a response to: Taya's antagonism towards important tribes and their allies, which caused the demise of the *grand compromise*; and his persistent refusal to open a sincere dialogue with the opposition. Externally, the regional dimension played against Taya, as the advent to power of Abdoulaye Wade in Senegal and Amadou Toumani Touré in Mali renewed hope of democratization in West Africa. N'Diaye (2006) maintains that the 2005 military was not an unexpected event. Rather, it was the result of Taya's failure to secure progress towards genuine democracy, as a result of the regime's manipulation of ethnic politics in order to hijack democratization and its inexorable transformation into a one-man-show. In his words (N'Diaye, Ibid:435):

"The regime's management of the political system after 2000 laid bare its essentially unpopular, anti-democratic, and repressive nature and heavy dependence on security forces. This made violent attempts to seize power highly probable."

Mauritania's Second Republic terminated on August 3, 2005, when Taya was ousted in a bloodless coup. The coup leaders established a Military Council for Justice and Democracy (CMJD) headed by Colonel Ely Ould Mohamed Vall (Taya's Chief of Security), dissolved parliament, and formed a new transitional government. The new authorities soon gave strong signals on their commitment to the return to democratic rule, and took significant steps to improve economic and political transparency. A roadmap was agreed with representatives of political parties, which regained freedom of speech and association and civil society, focusing on the following key issues: the return to democracy

within 24 months, establishing key milestones; the improvement of the judicial system, and the deepening of reforms in the public finance sphere, including the transparent management of oil rents. In June 2006, the country held a successful referendum on constitutional amendments. The amendment was approved by 97 percent of voters. Amendments included the limitation of future presidents to two consecutive terms of five years; introduced a maximum age limit of 75 for future presidents; curbed the ability of the executive to rule by decree; and provided for a mechanism that would make it impossible for the parliament to change these provisions.

On April 19, 2007, Mauritania entered arguably the most promising phase of its post-colonial evolution. On that day, its transition from a 19-month military regime to its 'Third Republic' was completed, and Sidi Ould Cheikh Abdallahi was nominated President following elections considered the fairest presidential poll in the country's history. Prior to this, on November 19 and December 3, 2006, a new National Assembly was also elected⁶², and started its five year-mandate in May 2007. However, the composition of the National Assembly (NA) during the tenure of Ould Cheikh Abdallahi underscored the continuation of a familiar political pattern, i.e. the emergence of a party or a party coalition that imposes a hegemonic control over the country's political system. In the newly elected NA, the bloc of the so-called 'old guard' – linked to the former regime of Ould Taya – still made up nearly the 60 percent of total, controlling 54 of the 95 seats. The coalition of opposition parties thus failed to gain a majority. What is more, powerful factors played against the opposition, such as divisions on the scope and pace of reforms, and the lack of financial means and the much needed connections within the state apparatus enjoyed by the old guard.

In such circumstances, it would have been naïve to assume that the NA would push for reforms fostering transparency, fighting corruption, and promoting competition. This is not to deny that the presence of new genuine reformist forces in the NA meant that for the first time in the country's history the old guard could be taken on in a contest. The influence of

⁶² Municipal and legislative elections took place on November 19, 2006 and senatorial elections on January 21, 2007. The return to constitutional culminated with presidential elections on March 11, 2007.

the opposition in the NA increased from zero in the 1992 election, to one in 1996, 11 in 2001, and 41 in 2007. Moreover, the NA included political actors who were oppressed under previous regimes and widely respected for their integrity. Indeed, it should not be ignored that amongst the concerns that prompted the military to intervene yet again – Ould Cheick Abdallahi was overthrown in August 2008 and Colonel Abdel-Aziz nominated President (he is still in power) – was the possibility that the NA was on the road to become a politically active, rather than submissive, institution; and that opposition parties and deputies could be progressively given the chance to participate more fully in parliamentary affairs, monitor effectively the decision-making process, and expose publicly and debate irregularities of such process. The international community explicitly pushed for such outcomes with Ould Cheick Abdallahi, since the beginning of his tenure in April 2007.

4.4 RACE, POLITICS AND THE UNRESOLVED “QUESTION NATIONALE”

4.4.1 The Ethnic Composition of the Mauritanian State and the National Question

Mauritania has traditionally served as a geographical bridge, crisscrossed by merchants transporting gold, salt, and slaves between the northern and southern edges of the Sahara. The social landscape is characterized by the interaction of three main groups: the ‘black African Mauritanian’ – constituting less than one-third of the total population⁶³; the nomadic Arab-Berbers (light-skinned, also known as or Moorish or Beydane); and the so-called Haratin – the descendant of enslaved black Africans – who identify culturally with the Beydane, although not uniformly (N’Diaye 2006).⁶⁴ Beydane and Haratin speak Hassaniya and make up slightly more than two-thirds of the population and the Haratin significantly outnumber their former masters. Despite the abolition of slavery in Mauritania in 1980, according to Harnet-Sievers (2002:340):

⁶³ This group includes the Fulani (known as Fulbe, Fulata, Fulah, Halpulaar-en, Toucouleurs and Peuls, depending on where they live), Soninké, the Wolof and the Bambara. These groups speak different languages, which are not part of the same family (Taine-Cheik 1994).

⁶⁴ Haratin derives from “hartani”, or socially “freed” slave. For a good summary of the complex debate surrounding the multiple interpretations applied to the system or institution of slavery in Mauritania, see McDougall et al., 2003.

"[...] Mauritania is one of the few countries in the world where slavery as a social relationship continues to constitute a manifest reality. [...] The emergence of wage labour during the colonial period created emancipation potentials for slaves in the urban environment. [...] In the countryside, the distinction between (former) slaves and their masters are perpetuated in the form of differential access to land."

Throughout history the interaction between the three cultures has been charged with social and political conflict that has defined and will continue to define the country's political and economic development. According to Park et al. (1991:20):

"From 1960 to 1965 the focus of the discussion was the degree of representation, within government structures, which each ethnic group should have. Between 1966 and 1980 the focus was on education, in particular, on the confrontation over the imposition of Arabic as a language of instruction.⁶⁵ Since the legislation of 1983 and 1984, the focus of the debate has been access to land in the Senegal River Basin."

All these groups were historically stratified, slave-owning societies (Seddon 1996). Social stratification has traditionally existed in both the black African and Moorish societies and has survived to the present time. In particular, both cultures display a social structure based on the trinity noble-tributaries-slaves. By way of example, the Soninké have a caste system that characterizes the social and political organization of the village (Débé). In particular, there is a dualism between a class of free men (Hooro), and artisans (Niaxamala), which are characterized by specialization in one (or more) activities (blacksmith, griots, etc.). At the bottom of the pyramid are the slaves (Komo) who are under the domination of the Hooro. The Wolof and Halpulaar-en exhibit similar structures. Similarly, in the Hassaniya emirate, the Mauritanian (Moorish) society was characterized by social stratification into various classes. Traditionally a nomad pastoralist society, it

⁶⁵ In 1966 the Arabic language was declared obligatory for secondary school. Following protests, the following year a system was developed giving roughly equal weight to Arabic and French. But in 1973, the regime of Ould Daddah pushed in a determined fashion towards the Arabisation of the education system, which continued well into the end of the 1970s (Taine-Cheikh 1994).

was characterized by the hegemony of warriors (Hassan) and religious leaders (Marabouts). The former were at the head of the emirates of the 17th and 18th century (see above) and raised revenues through the collection of protection fees (horma) and notably from depredation (razzia). The latter, by contrast, were the custodians of knowledge, spiritual leaders but also dedicated to livestock, agriculture and commerce activities, and often accumulating significant wealth. The dominated groups in the Moorish society included the so-called tributaries (Aznaga), the artisans (M'aalmine), the griots (Igawon), the freed slaves (Haratin) and those still held in bondage (Abid, from *Abd*, slave).

4.4.2 Ethnicity, Democratization and Political Dramas

Modern political life in Mauritania started around 1946, when the country obtained the right of nominating directly a representative in the French Parliament. 'Traditional' tribes and their leaders have exerted an important influence on the political arena of the Mauritanian state. Notably in the early years, political games were often played by bypassing the (largely illiterate) population, a privilege of political and tribal leaders. Gaining the support of the latter meant – in the majority of cases – gaining the support of their faction. This influence has been greater and more visible during certain periods of the country's history. Under Daddah, for instance, the phenomenon of tribalism was kept in check but simmered below the surface as many traditional chiefs were appointed to key roles. Tribalism emerged more openly in the period of instability and successive coups that occurred after the overthrowing of Daddah. The empty space left by the dissolution of the PPM and the National Assembly contributed to reassert the influence of the tribe, the region, the ethnic group as places of refuge and solidarity (Marchesin, 1994).⁶⁶

As noticed, Taya did not manage to stop these centrifugal tendencies. On the contrary, an attempt to overthrow him by Halpulaar-en officers resulted in a violent backlash in 1988, while in 1989 – following a petty incident between Senegalese farmers and Mauritanian herders – the 'Senegalese-Mauritanian' conflict erupted. Inter-community

⁶⁶ Marchesin (1994) maintains the numbers of tribes sharing power increased from 23 during 1959-1978, to 32 during 1978-1986.

tensions were not restricted to the South, however: it is during the 1980s that political opposition to the Government – from both the black African Mauritians and Haratin – increased. In 1986 the *Manifesto of the Oppressed Black Mauritanian* was published and demonstrations led by the African Liberation Forces of Mauritania (FLAM) were carried out in many parts of the country, leading to arrest and executions (See Seddon 1996, and Kinne 2001 for a detailed history of the FLAM). But it would be wrong to conclude that ethnic conflict in Mauritania has followed a linear trajectory characterized by the opposition between the Moorish (including the Haratin) on one side and the black African Mauritanian on the other. As put by Jourde (2001:26):

“Often, tensions based on ethnic differences unfold in conjunction with political struggles within ethnic communities, with accommodation across ethnic boundaries, and with debates about the type of political regime. These dynamics must be taken into account if we are to understand the significance of ethnicity as a political variable.”

Indeed, Taya managed to gather support from certain sections of the black African Mauritanian elite. Jourde (2001) analyzes the reasons behind the support of a part of the black African elite for Taya, and argues that the social disapproval associated with membership in the ruling party has progressively faded during his regime. He maintains that there was a close overlap between debates about the regime (should it be democratized or not?), political cleavages in ethnic communities, and alliances across ethnic boundaries. In addition, such dynamics can be explained by the very fact that all the main groups in Mauritania are organized – as mentioned above – around similar socio-political hierarchies. To quote him (2001:27):

“There has always been a close collaboration, if not symbiosis, between the regime’s leading figures and the political leaders of the different ruling clans and families of the Beydane and black African communities. Not surprisingly, then, these ruling elites have opposed attempts to establish democratic institutions, at the end of the colonial period (1945-1960) and in the current period (1991-present).”

Such institutions had the capacity [...] to produce radical changes [...] that could threaten the position of ruling elite."

In his view, three factors account for Black African ruling elites' decision to leave the pro-democracy movements and to (re)-activate their collaboration with the restored authoritarian regime of Taya: their opposition to 'Dembacracy'⁶⁷; their participation in previous authoritarian regimes; and the benefit they received from that participation, i.e. the continued capacity to control their communities, the access to the state's resources and the capacity to retain most of the land they owned. In short, both the Moorish and black African elites have conflicted with one another over the centuries, but they also agreed – at different times and under *different* forms of alliance – to work together in favour of a capture of the democratic institutions to their advantage. Jourde (ibid. 2001), explains his point by discussing the 5-days presidential tour that Taya made in the Brakna region, which includes many Halpulaar-en town and villages, in 1995. During the tour, Taya and the Halpulaar-en ruling élites sat at the same table, shared the same food, and listened to music and poems under the same tent. These performances had a double meaning: they were demonstrative, by expressing and signalling the accommodation between Beydane presidency and Halpulaar-en ruling élites; and they were productive, as they strengthened the president's authority in the region, the solidarity between the president and local Halpulaar-en élites and reinforced the latter authorities over their own communities. Other observers corroborate Jourde's points. Ould Cheick (1994) argues that political parties in Mauritania essentially express coalition of interests and personal ambitions, determined by – *inter alia* – belonging to specific regions, tribes or ethnic groups. But these factors interact often in unequal, ambiguous, contradictory ways.⁶⁸ According to Marianne (2002:103):

"[...] the support of tribal chiefs was ensured thanks to the allocation of ministerial

⁶⁷ Demba is a name given to the second son amongst the Halpulaar-en. Usually, it is the first son who enjoys the economic and political privileges in the family. Hence, *Dembacracy* refers to the process whereby Demba – under a democratic regime – is allowed to claim equal rights of his older brother and even come to dominate him politically (Jourde 2001).

⁶⁸ For instance, despite the fact that the big businessmen in Mauritania had strong ties with the PRDS under Taya, the wealthy neighborhood of Tavrigh Zeina in Nouakchott voted en masse for the opposition party (the UDF) in the 1992 elections. Many other examples are to be found in Ould Cheik (1994) and Marchesin (1994).

position, region (wilaya), representative seats, or food help. The support of the opposition notables too can be explained in this way...[...] notables who did not join the PDRS experienced difficulties in obtaining credit for farmers and employment."

However, ethnic animosity has been persistently simmering under the surface. An example can help here. The Senegal River Valley has been at the centre of tension between various Mauritanian communities for centuries. Most agricultural production is carried out in this narrow belt located in the extreme south along the Senegal River Valley where soil and climatic conditions are favourable enough to make possible the development of agriculture and sedentary village peasant communities.⁶⁹ There are two types of irrigation patterns in the Valley. At the village level there are irrigated perimeters. The development of these perimeters started around the 1970s and accelerated after the droughts of 1983-84. The other irrigated perimeters are private, usually owned by businessmen coming from outside the Valley. Notably due to the completion of the Diama barrage in 1986 – which limited the penetration of sea water upstream in the Senegal River – and the increase in the price of rice by 30 percent in the same year, the irrigated surface expanded from 3,000 ha in 1986 to 20,000 ha in 1988 (Schmitz 1993, NB. Today the irrigated area is around 30,000 ha). The expansion of irrigated areas took place initially in relatively unpopulated West Trarza. In this region, its expansion did not come into conflict with the existing village irrigated perimeters, under the control of both Beydane tribes (Tendgha and Ikumlenen) and Wolof groups. However, irrigation begun to expand into East Trarza, a more densely populated territory comprising Beydane tribes (notably Haratin) from the former Trarza emirate in the north, Wolof in the south-west and Halpulaar-en in the south-east. It is in this area that the properties of rich Beydane businessmen from Nouakchott and the Adrar (i.e. the place of the Smassides, the tribe of Taya) and also high-ranked military office aggressively expanded around the end of the 1980s, creating tension between the various communities. Interestingly (and corroborating the points made by Jourde above) Beydane

⁶⁹ Further north, a broad Sudanic savannah region which stretches from east to west and is characterized by large sand plains and fixed dunes covered with sparse grass and scrub trees. On the northern fringes, an immense arid region, where vegetation is restricted to dry beds of wadis beneath which water still flows, or to oases where palm groves and irrigated agriculture flourish.

and Black African Mauritanian tribes (notably Wolof) often formed transversal alliances to stop or stem the advance of northern businessmen.

However, these resistance strategies were put under severe strain by the development of the 1989 'Mauritania-Senegal' conflict. The conflict started following an incident in April 1989 over grazing rights, (ironically) amongst Mauritanian Peul herders and Senegalese cultivators, who chased the former from their fields, which were near harvest. In response, Mauritanian Moorish border guards ventured into Senegalese territory, killed two Senegalese farmers and held in custody 13 others, near the town of Diawara. Following this incident the conflict escalated along racial lines: in Senegal, where many shopkeepers were Mauritanian, shops were looted and most Mauritanians were expelled. In Mauritania, lynch mobs and police brutality ended in the forced exile of about 70,000 southerners to Senegal, despite most of them having no links to the country. About 250,000 people fled their homes as both sides engaged in cross-border raids (Kinne 2001, Niasse 2005). Some observers, however, argue that this conflict was a reflection of the unresolved '*question nationale*' – this time on land issues – rather than a mere international conflict between Mauritania and Senegal (Park et al. 1991). According to Schmitz (1993), this phenomenon shows that the crystallization of ethnic opposition was the product of (conscious) state action, rather than the reflection of diverging socio-economic interests, which, by contrast, provoked deep divisions within the milieu Beydane itself. At the same time, the Haratin question was exploited by the Beydane to their advantage. Many Black African Mauritanian villages were evacuated by the mainly Haratin army, with people fleeing south of the River. Subsequently, the terrain was prepared for the expansion of Beydane irrigated agriculture into areas formally farmed by Halpulaar-en and Wolof groups.

The analysis conducted in this chapter provides relevant information – notably on the ethno-cultural landscape of Mauritania – which will become useful in Chapter 7, where the nature and history of local social relations of production and exchange are examined in selected locations of the country's rural areas.

CHAPTER 5: METHODOLOGICAL ISSUES IN LABOUR MARKET RESEARCH AND DATA SOURCES

5.1 INTRODUCTION

This chapter focuses on key methodological issues that relate to the collection of data on the labour market, with a specific application to the rural areas of LICs. It critically reviews the strengths and weaknesses of different sampling techniques. In addition, it reviews the definitional problems associated to labour market concepts and indicators – such as unemployment, underemployment and the distinction between wage and self-employment – which are commonly utilised in labour force surveys or in the employment questionnaires of living standard measurement surveys (LSMS). This chapter also describes the methodologies and data of the two surveys examined in this thesis, whose key results are critically discussed in the next two chapters, that is: the 2004 National Household Survey (EPCV), and the 2004 Rural Labour Market Study (RLMS).⁷⁰ It is argued here that despite not being statistically representative, small-scale surveys – if properly designed to include an appropriate mix of relevant quantitative and qualitative techniques – can yield important insights on the nature of labour markets. They do so by going beyond the ‘average representative agent’ and attempt to capture the salient elements of heterogeneous and dynamic contexts. They are also better suited to answer some of the questions raised by implementing a labour market framework that draws on the classical political economy school.

Section 5.2 reviews the strengths and weaknesses of various sampling techniques. Section 5.3 discusses the key definitional problems that affect commonly applied concepts and indicators in labour market research. Section 5.4 discusses the main objectives and characteristics of the 2004 EPCV and RLMS, whose findings will be critically examined in Chapters 6 and 7 respectively.

⁷⁰ See again here the discussion on data sources and attribution conducted at the beginning of this dissertation.

5.2 METHODOLOGICAL ISSUES: REPRESENTATIVENESS AND SAMPLING TECHNIQUES

5.2.1 *The Myth of the Representative Agent vs. Relevant Heterogeneity*

Most surveys, large or small, are based on the myth of the ‘representative’ agent (e.g., a rural household, a farmer, a consumer, a firm, etc). If the purpose of the research is to carry out statistical inference and extrapolate results to the overall population it is necessary to make assumptions about what is the ‘average representative’. The sampling method that is finally applied establishes who is included and who is not included in the survey, hence it carries these assumptions implicitly. However, the myth of the ‘average representative’ can be misleading, notably in very heterogeneous social settings characterised by scattered populations. In order to make extrapolated results somewhat reliable and rigorous, many ‘average representatives’ would be needed. Moreover, in such contexts, some *a priori* information about the various relevant groups would be necessary to make sampling strata (layers) more accurate and be able to extrapolate results for each particular group, before a more general aggregation is undertaken.

However, it is possible that some groups may be not important *quantitatively* (i.e. as a proportion of the total population) but they may be *qualitatively* very relevant. This is the case of, for instance, a small proportion of producers that accounts for the largest proportion of output in a determined sector X; or poor agricultural wage labourers who crucially depend on the wage earned to survive but are ignored in official statistics, as discussed in Chapter 2. In such a case, it would be necessary to ensure a significant presence of these respondents in a sample, if the interest is on the production side of that particular sector X or poverty alleviation in rural areas. Missing these cases – say due to the adherence to rigid random sampling – or simply relying on a very small number of them, would lead to sampling biases that could not be assessed with rigour. In general, including a *disproportionate* sample of particular cases may help to: explain dynamic processes of differentiation, by shading light on the bottom quintiles; identify various paths of accumulation and constraints to accumulation, which also have a meso- and macro-significance; explain qualitatively important responses to crisis, and policy reform, by

identifying winners and losers in the context of policy changes; explain features of local politics and nature of centres of power, straddling economic and political positions and their effects on aggregate production; and shed light on inter and intra-household dynamics in contexts of high mobility and strong interactions among households in the same of different geographical areas. These are simple examples of how non-representative agents may be extremely relevant but often missed out from conventional sampling methods based on the myth of the average representative. Relevant heterogeneity can be therefore more informative and produce more useful insights of the production processes at play (Oya 2006).

5.2.2 Strengths and Weaknesses of Different Sampling Approaches

Random Sampling

Random sampling assigns to each member of the population the same chance of being selected (Moser and Kalton 1971:80). If this is not the case, i.e. if each member of the population does not have the same chance of being selected in a random sample, then the standard errors cannot be calculated and the precision of the sample is jeopardised. Random sampling seems therefore the best option to minimise the selection bias (given that it is 'free' of human judgement) and to maximise precision. Moser and Kalton (Ibid. 1971:84) maintain that if a random sample fails to be representative of the surveyed population, then we have been unlucky or an extraordinarily unlikely event has occurred. However, as we have seen in Chapter 2, such events can be quite pervasive in the analysis of rural labour markets in Africa, in that some of the poorest (rural) workers seem to be systematically under-recorded in the official labour statistics based on random sampling. Random sampling is not free from drawbacks. First of all, one of the crucial assumptions of randomness is that the population has a normal distribution and is relatively homogenous. If this assumption is not real, as may be the case when for instance few households own the bulk of means of production, as highlighted in the previous section, then the compelling arguments for randomness lose much of their appeal. In areas where the concentration of income/assets/wealth is high, random sampling may miss out the

relevant informants/key units and therefore result in partial coverage and questionable survey results (Oya 2002, Johnston 1997). Second, random sampling works better in terms of minimisation of standard errors with a large survey. However, as the size of the survey and samples increase so do the possibilities of incurring non-sampling errors, i.e. ambiguities and/or inconsistencies in questions, key respondents being systematically underreported or silenced, incorrect responses, non-responses, etc. (Vaidyanathan 1989:19). If non-sampling errors are likely to increase with the scale of the survey, then the total error may be larger in the bigger samples (Casley and Lury 1981:62). Third, the complexity of the economic relationships between different households (units, categories) cannot be investigated by resorting to random sampling. It is plausible to assume, for instance, that employers and employees have different opinions regarding the level of wages, the length of working days and the nature of working conditions. When the need to interview both parties involved in transactions arises (whoever they may be and whatever their transactions) this cannot be satisfied by a procedure based on random sampling of individuals.

Multi-stage, Stratified Random Sampling

When the population is not homogenous and the differences between groups/categories are substantial, a partial solution to the problems associated with random sampling is to implement stratification. Moser and Kalton (1971) maintain that stratification does not necessarily mean a departure from random sampling. If the population is divided into a number of strata before any selection takes place, then a random sample can be carried out for each stratum. Stratified random sampling therefore ensures that data will be more representative of the population to be surveyed, because it tends to give equal weights to the different sub-groups of the population. There are also cases where the population in one stratum may be more heterogeneous than in another, so therefore the need may arise to implement disproportionate stratified sampling (Moser and Kalton Ibid. 1971:93). Stratification requires a good knowledge of the characteristics of the population to be surveyed in order to choose the appropriate criteria. Some of the information can be obtained before fieldwork, but it is plausible to assume that the information gathered *in situ*

before the actual stratification is a *sine qua non* for the success of the procedure. Stratified sampling often involves several steps. First of all, strata and their proportions – i.e. rural/urban population, regions, and districts – are defined. If the sample under study is very large or covers a vast area and the population is dispersed, it can be divided into primary sampling units (PSU) that are not individuals/households but rather homogeneous groupings of individuals/households. This is usually referred to as clusters. Secondly, clusters are randomly selected and, within them, random samples of individuals or households are drawn. In this procedure, the selection of PSU in the first stage becomes critical, and a bad selection can result in significant biases and missing key respondents. Using strata can thus reduce errors derived from random sampling in heterogeneous populations; capture variation within groups and control for other differences; and reduce survey costs by working with allegedly uniform clusters as primary sampling units. Despite some of the advantages of stratified cluster sampling, appropriate sampling frames are difficult to obtain, so there is no guarantee in using this method that important relevant cases may not be missed out (Olsen 1992). The main problem with this method is that there is usually a lack of sufficient *a priori* information to correctly stratify the population into clusters.

Stratified Purposive Sampling (Non-Probability Sampling)

Even if stratification is carried out, problems normally arise in the selection of districts (and other administrative units) or villages as PSU for purposes of final extrapolation, under the assumption of homogeneity. In reality, many districts are heterogeneous in nature and characterised by different agro-ecological areas, potential yields, farming and landholding patterns, degrees of land and production concentration, prices of purchased consumption goods or production inputs, and so on. These differences are found within districts and even within villages. One way to make sure that the quality of the data is sound is to use stratified purposive sampling. Indeed, Moser and Kalton (1971:135) maintain that this method may be the only practicable and viable procedure in a population for which there is no suitable frame available and while conducting small-scale research. Although useful, this method can be time consuming, as it involves the construction of

detailed lists. Constructing such a sampling frame can also suffer from problems of consistency, systematic biases, sometimes based on political considerations, sometimes on practical grounds. One way to proceed is to identify respondents through other respondents, a procedure known as 'dynamic sampling', or 'snowballing' (see Neuman 2000). Stratified purposive sampling can be useful to make sure that all the relevant categories (respondents) are included – without resorting to 'creative augmentation' – and to ensure fair representation for each group. It allows researchers to capture the differences between well-defined and analytically meaningful categories of respondents. This method also favours, at the more aggregate level, the study of processes of agrarian change, when sampling units are deliberately selected on the basis of previous surveys, i.e. when a survey is a follow up of an initial baseline-study. Ultimately, it may increase the reliability of collected information by 'picking-up' the most reliable respondents. This method is also prone to weaknesses, however, including biases related to non-randomness and the impossibility of estimating sampling standard errors with precision. Moreover, if targeted respondents happen to be scattered over an extensive area, there may be problems arising from the feasibility of the planned visits to different distant localities, even if the wider geographical spread augments precision (Moser and Kalton, 1971:134). There are also dangers of biasing selection within groups, if the purposive sampling is 'wrongly' manipulated (Oya 2002).

Village Studies

Village studies can be undertaken when large-scale surveys are not feasible. When villages are chosen randomly in the area/s of interest, these studies can in theory solve the problems of random sampling, given that they provide a full coverage of the households in the village.⁷¹ One of the major strengths of village studies in particular, and of micro-surveys in general, is that they provide in-depth, detailed analyses. A mixture of interviews and participatory observation positively affect the depth, breadth and reliability of the

⁷¹ Note that random sampling can also occur here: village can be selected randomly, and subsequently random sampling of households is carried within the selected villages, on the basis of a complete census of all households. But a village study does not need to be based on random sampling.

information gathered. Spending more time in one location allow the researcher to develop stronger relationships with the respondents and facilitate the cross-checking of the data collected. Some observers also argue that village studies are better suited to analyse dynamic processes of change, and the economic/behavioural interrelationships between people (Bardhan 1989, Casley and Lury 1981:65). Village studies are also characterised by drawbacks that call into question the utility of the village as a unit of analysis. This can happen in contexts of high population mobility, and/or where socio-economic relationships overstep its boundaries. These may be unclear or not identifiable and/or blurred. In analysing the material condition of farm-workers in Lesotho, Johnston (1997) documents their high levels of mobility in rural areas and therefore expresses her doubts at privileging the concept of the village as a unit of analysis. The dangers associated with concentrating exclusively on local interactions of the 'village' at the expense of the extra-village economic relationships cannot be therefore underestimated.

A second problem with village studies relates to the representativeness of results for the wider context (at the district or regional levels). Casley and Lury (1981) maintain that studies based on purposive selections or on random sampling of insufficient size cannot be used to make valid inferences about the incidence of a phenomenon in a wider population (Casley and Lury 1981:67). However, they correctly point out that although it may not be possible to generalise the result, it may be possible to reject existing generalisations. Another potential danger of village studies is that the researcher may become familiar with the more prosperous households (embracing the 'dominant ideology') and fail to collect important information on and/or obtain access to the poorest ones. This problem can be potentially serious and can arise for a number of reasons: the very definition of the household may obscure certain individuals who may violate the theoretical and local concepts of the household (Johnston 1997); particular members of the villages may impair access to other members for personal/political reasons (Razavi 1992:155/6); cultural taboos may prevent the researcher to get access to particular groups of the population (see Heyer 1992). In sum, greater quality of data from village studies needs to be weighed against issues of representativeness and the fact that villages may have blurred boundaries, dynamic communities and fragmented households.

Non-Sampling Errors

The accuracy of surveys is not only determined by errors that can arise as a result of the implementation of 'incorrect' sampling techniques. Casley and Lury (1981) maintain that the likelihood of non-sampling errors is higher, the greater the sample size, because of the poorer quality of the enumeration and lower intensity of supervision. However, non-sampling errors can also affect small scale surveys. For instance, ill-designed questionnaires may contain ambiguities and/or inconsistencies in the question asked (Vadyanathan 1989), or simply ask the wrong question. Unni (1989) argues that the main reason for the under-enumeration of female workers in Indian agriculture lay in the fact that questions were asked about the women's principal occupation (to which the reply was often housework) rather than income generating activities (see also Sender et al. 2006, Cramer et al. 2008). When investigating gender sensitive issues, Anker (1994) argues that interviewers must be properly trained, gender sensitive and 'free' of stereotypical views on males and females. Problems may also arise when the question asked has to be translated for the respondent in a language unknown to the interviewer, and then retranslated back to the interviewer.

Moreover, some researchers have argued that the use of inappropriate terms/key words, which may mean something for the interviewer and something else for the respondent in any particular context, can jeopardise the accuracy of the data collected (Appadurai 1989 262-263, Unni 1989:23). Errors can also arise because of deliberate attempts by respondents to provide incorrect answers. For instance, richer rural farmers usually underreport their control over assets, notably land and wealth (Pincus 1996:26, Vadyanathan 1989:20). Hirers of labourers may also want to conceal the number of workers they employ, on the grounds that they may be illegal, and not covered by any sort of assistance. On the other hand, poor rural dwellers may overstate their poverty, if they think that they can obtain material gains from participating in the survey, either directly, or indirectly, i.e. if they think the survey will be the first stage of a rural development project

and/or food distribution programme. The accuracy of a survey, therefore, can be jeopardised by the occurrence of one or more of these events.

5.3 DEFINITIONAL PROBLEMS ASSOCIATED WITH LABOUR MARKET RESEARCH

Definitional problems associated to the main labour market indicators and concepts – e.g., *inter alia* employment, unemployment, under-employment, the distinctions between wage- and self-employment, formal (or modern) and informal activities, etc. – constitute a serious drawback on the analysis of (rural) labour markets in LICs. According to Oya and Weeks (2004), in sub-Saharan Africa (SSA) in particular, these definitional problems have significant empirical implications that, in turn, result in great variation and lack of consistency of labour market statistics across countries. Besides being under-funded, researchers lack appropriate statistical tools to account for the complexity of the labour markets and income generating opportunities on which the poor rely. While labour force surveys (LFS) would be good instruments to gather labour market data, they are seldom carried out on a regular basis. Moreover, as argued throughout this thesis, the information on the labour market that can be extracted from LSMS is limited, as priority is given to consumption estimates for poverty analysis. Employment sections of LSMS are small and general, aiming at collecting information that is used for international comparisons (rather than being context-specific), and which do not offer sufficient disaggregated data to understand the nature and dynamics of (non-regulated) labour markets. As a result, the link between poverty, equity and employment at both micro and macro levels is not established.

Standing et al. (1996) and Weeks (2006) specifically examine the notion of employment/unemployment in the context of poorer countries. The standard ILO definitions of these concepts refer to individuals of working age (e.g. above 15 years) who, during the reference period (usually 7 days), have worked (or failed to do so) for monetary gain a specified number of hours per day. The definition of unemployment, in particular, incorporates different and separable aspects: a condition (being without employment), a need (income for subsistence needs), an attitude (desire and intention for paid work), a capacity (being able to respond to an opportunity) and an activity (searching for work). But

such elements acquire a different meaning whether one apply them to industrialized countries or LICs. Moreover, one of the identified dimensions of unemployment may take precedence over others, depending on how questions are worded by enumerators and interpreted by respondents. Hence, international and even intra-national comparisons may be misleading. This is particularly relevant to the context of poorer, agrarian economies. First, in SSA, the distinction between work and non-work (i.e. in the sense of not performing a task in the workplace) is blurred; hence 'being without work' loses its meaning. Moreover, the standard definition of 'non-work' can cover all those activities that are carried out in the context of the family. Second, some activities may be carried out without direct monetary remuneration (e.g. household labour, forms of apprenticeship). Third, the 'willingness' to work has little meaning in situation where there is no state support to the unemployed. Fourth, the presumption that most of the labour force is 'fit and able' to work is also questionable in the African context, where the HIV/AIDS pandemic has been taking a heavy toll. Last, the notion of 'searching for work' has also little meaning in contexts where there is no monitoring and institutions that provide the unemployed with support to pursue job opportunities. Weeks (Ibid. 1996), and Oya and Weeks (2004) maintain that using the official definition of unemployment in the rural areas of poor countries yield unemployment data that have little meaning and provide no insight into their labour markets.

Generally, recorded unemployment rates in LICs tend to be low. This can be explained by the fact that (poor) workers cannot afford to be idle, as they are not likely to receive any monetary support from governments when unemployed. Even though these workers may earn very little and engage in whatever (irregular, casual) job is available to survive, they report themselves as 'employed'. Consequently, the true extent of unemployment tends to be under-estimated. Kakwani and Son (2006) have proposed a new measure of the unemployment rates and propose that individuals earning below the subsistence level of income in the labour market should also be categorised as unemployed. Applying this new measure to the Brazilian North East, they found that the unemployment rate increases dramatically (e.g. from 3.7 percent to 21.5 percent in rural areas in 2004). However, it is important to highlight that unemployment rates are not uniformly low in SSA. In

Mauritania, the unemployment rate is 14.7 percent, as discussed in the next chapter. Moreover, researchers are puzzled by the high unemployment rates in official statistics found in South Africa. Although South Africa is not comparable with Mauritania, given the different size, economic structure and history of capitalism penetration, the following quote has relevance for the analysis of labour market indicators for Africa as a whole. Fields (2007:44) maintains that:

*"On a recent visit to South Africa, I talked to many people about their employment and earnings statuses and heard similar stories from many of them. One was from a middle-aged man who said both he and his wife were unemployed. Given that they had no children or elderly in their family, they received no transfer payments from the government. If they weren't working and not receiving government transfers, how could they be living? Bit by bit, we learned that he received money for leading the local church and doing traditional healing and that his wife received money for selling handicrafts at the city market. Yet, he said, they were unemployed. What would it take for you to be employed, we asked? His answer: You are employed when you get paid every Friday by the same employer."*⁷²

While the current definitions of employment and unemployment apply in particular to the 'regulated' and 'recorded' sectors of the urban economy, characterised by wage labour, in rural areas one often encounters the notion of under-employment. This notion encompasses a situation where workers are willing to work for longer hours but have accept irregular jobs with low pay (below the subsistence level), instead of remaining unemployed with no income. According to Oya and Weeks (2004) the analytical category of under-employment is not well defined and its measurement and interpretation problematic as detailed information on individuals' labour market involvement is often missing in poor countries. The statistical and conceptual boundaries between categories of self-employment and wage-employment are also problematic. The former, in particular, is often taken as a residual category in surveys after other categories have been recorded (or

⁷² Standing et al (1996) also warn about the reliability of the unemployment figures in South Africa, and dedicate a whole chapter of their ILO study to this topic.

missed out). Survey results also tend to oversimplify the nature of employment in the agricultural sector, which is usually recorded as self-employment or unpaid family labour. It was argued in Chapter 2, by contrast, that casual labour markets are dynamic in rural Africa (both on- and off-farm), and that, wage employment is significantly under-reported, not reported, or assumed to be self-employment (the latter, as a result, tends to be over-estimated).

Definitional problems also affect the formal-informal dichotomy, analysed in Chapter 3. Breman (1994) for Asia and Lachaud (1994) for Africa maintain that occupational categories cut across the conceptual divide between the 'formal' and the 'informal'. Lachaud (*Ibid.*, 1994), for instance, proposes the following categories: very poor, 'irregular' wage workers, which are not subject to effective labour market regulation and are between formal and informal activities; poor, marginal self-employed with little working capital, who are mainly engaged in informal activities; a middle class of self-employed individuals endowed with more working capital (including some 'regular' workers with formalised employment contracts), who are employed in both formal and informal activities; better-off segments of protected regular workers with open-ended contracts and regular salaries, who are mostly engaged in formal, urban-based occupations; and poor, unprotected formal wage workers, who are engaged in casual jobs with variable remuneration in both formal and informal activities. In the light of such diversity, applying the formal vs. informal divide seems, at best, unreasonable. Lastly, in contexts characterised by occupation multiplicity, irregularity and strong seasonality, there are often misunderstandings on the interpretation of questions concerning 'primary' and 'secondary' occupations. Different understandings of employment statuses and categories, by both respondents and enumerators, often produce a biased picture of the complete set of economic activities in which individuals engage, as well as their relative importance. These points will be more fully fleshed out when examining the data of the EPCV and RLMS, whose main characteristics are examined in what follows.

5.4 CHARACTERISTICS OF THE 2004 EPCV AND 2004 RLMS

This section reviews the main objectives, methodologies, and data sets of the EPCV and RLMS surveys, which were conducted in 2004. As mentioned in the beginning of this dissertation, the main results of these surveys – fully presented in GIRM and World Bank 2007 and in Rajadel, Pontara and Sanchez-Puerta (2009) – are critically discussed in Chapters 6 and 7, set against the methodological and theoretical discussion discussed so far, and compared to each other.

5.4.1 *The EPCV 2004: Main Characteristics*

The EPCV 2004 is the last in a series of nationally representative surveys that the Mauritanian authorities have carried out, starting in 1988: it is not a labour force survey (LFS) but rather a LSMS. Its main objectives have been to update the main household well-being indicators with a particular focus on poverty, with a view to enabling policy makers to better understand the impact of public policy on the standards of living of the population. The EPCV 2004 has been also carried out to support the preparation of Mauritania's PRSP-2 – discussed in the previous chapter – as well as the elaboration of a regional PRS in the *wilayas* (provinces) of Adrar, Brakna, Nouadhibou, Inchiri and Trarza (See Map in Appendix 3). Two types of questionnaires constitute the basis of the EPCV: a core welfare indicators questionnaire (CWIQ), focussing on demographic characteristics of the household, education, health, employment, households assets, dwelling characteristics, children below the age of 5, and social capital (including access to basic services); and an expenditure questionnaire, focusing on prices of principal products, current expenditures, occasional expenditures, transfers, revenues and credit and savings. At the household level, the survey provides information on households' assets, income, and expenditures. At the individual level, the data includes basic demographic characteristics (e.g. gender, age) as well as data on education, health, and employment. In order to better capture the important effects linked to seasonality, the EPCV 2004 was carried out during two separate phases: a first 3-month phase – between end-August and end-November 2004 – during which information was collected on social indicators and household expenditure; and a second

phase – between April-June 2005 – during which information was collected on education (which was not covered in the previous phase under the social indicator module) and again household expenditures. The EPCV sampled a subset of households by using a two-tier random sampling procedure in each *wilaya* of the country. The sampling base during the first phase (PSU) was established on the basis of a list of census districts (CDs) extracted from the 2000 Census. Subsequently households were randomly selected within each CD. Therefore, the chosen sampling methods has been multistage, stratified random sampling, whose main advantages and disadvantages have been discussed earlier in this chapter. The surveyed population has included in total 52,609 individuals, of whom 29,038 of working age (15 to 64 years old), belonging to 9,385 households. Some 95 percent of the surveyed population has been categorized as sedentary people. Poverty has been determined at the household level based on per capita expenditures using a 1\$ a day per capita poverty line. After taking into account inflation and exchange rates, this poverty line in the EPCV 2004 translates into 94,600 Mauritanian Ouguiyas (MRO) per year and per capita for 2004. The poverty line for extreme poverty was set at 71,550 MRO (see GIRM 2006).

Similarly to other LSMS, the EPCV questionnaires dedicate 4 pages to employment (in the CWIQ) out of a total of 27 pages. The rest of the questionnaire, as mentioned, largely focuses on the collection of detailed consumption expenditure data, on the basis of which monetary poverty is estimated. The employment questionnaire of the EPCV has several problems, from the standpoint of labour market analysis. Overall, its design is oversimplified and, given the way the questions are formulated, prone to low-quality data collection. One shortcoming that affects the quality of the information on employment and other labour market indicators is the one week reference period. Question E.1 asks whether an individual has worked in the preceding week. But this reference period is too short and prone to miss out seasonal and casual activities. The questionnaire is, however, quite detailed about the nature of employment in the 7-days reference period (question E.1). Respondents are asked how many jobs they did during the reference period and the nature of the employment (recognizing explicitly seasonal, temporary, and daily jobs and whether or not a wage was received – questions E.5, E.6, and E.7). Question E.12 asks about the principal occupation in the last 7 days. The 12 categories available for the reply are overly

aggregated (e.g. farmer, fisherman, entrepreneur) and, more apt at capturing (relatively) well-remunerated, rural and urban formal and 'upper tier' informal sector employment (government, public sector, micro-enterprises, commerce and sales). It is not clear how an individual who was employed in remunerated farm/non-farm activities would respond, except for 'other professions', which are seldom followed up with more detailed, open-ended questions.

To be fair to the Mauritanian EPCV, the reference period is extended to 12 months in question E.19. However, the mere extension of the reference period does not guarantee a better estimation of economic activity. The question asks about the *principal* employment status in 12 months preceding the survey. However, unless the reply falls into the first category (i.e. employed) – an implausible answer for seasonal/casual/daily workers (in and outside agriculture) – then the enumerator is sent to the last few questions of the CWIQ, questions E.34 to E.42, concerned essentially with previous employment and social protection status. If, by contrast, 'employed' is given as an answer, then questions E.20 to E.33 are designed to flesh out more in detail the nature of such employment, once again recognizing explicitly seasonal, temporary, and daily occupations. In sum, the Mauritanian CWIQ is a step forward with respect to previous EPCVs, but is not well equipped to capture the variety of occupations that characterize notably the poor in Mauritania today. In urban context, the questionnaire is capable, at best, of capturing some of the main activities of the enumerated sector, i.e. the formal and upper tier 'informal' sectors, with an added bias towards self-employment. In rural areas, most of the information on casual, seasonal and intermittent activities is lost, and the CWIQ at best captures information on the more formal part of the rural labour market. Hence, the inadequacy of the CWIQ questionnaire to throw light on occupational multiplicity in rural areas is more readily apparent. On aggregate, it is very likely that such a questionnaire would lead to an underestimation of the number of economically active people, and an artificially low estimate of the employment to population ratio. These are indeed some of the findings that emerge from the analysis conducted in Chapters 6 and 7.

5.4.2 The RLMS: Main Characteristics

The RLMS was designed to gain a more refined and disaggregated picture of rural labour markets in Mauritania, focussing on selected villages. The specific aims of the RLMS were to: collect and analyse information usually missing in large-scale representative surveys in Mauritania, for example on occupation multiplicity, seasonality effects, and seasonal and casual labour; influence the methodology of future (large- and micro-) surveys on questions related to rural employment and poverty reduction, with a view to improving the quality of available information; create a database that can be used by the Government to improve poverty diagnostics; strengthen capacity in the area of poverty and rural labour market research; and formulate concrete policy recommendations concerning rural labour markets, feeding into the policy dialogue between the Mauritanian authorities and bi- and multi-lateral institutions and research think-tanks.

Particular attention was paid to the way in which information on employment status and the typology of occupations (activities, tasks) was obtained and recorded. A detailed matrix of occupations with over 20 entries was adapted to the specific rural contexts of Mauritania and used to avoid recording irrelevant categories. In addition, the research did not rely on categories such as 'primary' and 'secondary' occupations. Rather, specific questions were asked to understand the nature of occupations, e.g. whether they entailed mainly wage-employment or mainly self-employment (or both); the number of days and months effectively worked on such activities in the past 12 months; the size of the establishment where these activities were carried out, and so on. In addition, given the complex history that characterises the interaction of the main ethno-cultural groups of Mauritania (See Chapter 4), efforts were made to record and investigate complex forms of labour relations and identify occupations that carry certain negative stigma and are carried out by specific groups of people. Such occupations may be underreported or simply concealed to less experienced or not sufficiently trained enumerators and researchers. The latter may also have ideological biases about what occupations are more or less relevant, or should apply, to particular individuals (GIRM and World Bank 2007).

The RLMS fieldwork was carried out during two phases: May-June 2004; and August-October 2004. This was done to capture seasonal effects that affect the working of rural labour markets. In total, 1,063 individuals were surveyed in the three villages selected, using the conventional definition of household (i.e. household members are those who live under the same roof, see below). Using an economic classification of the household, the total number of individual surveyed reached 1,305.⁷³ The RLMS applied a mixture of 'circumspective' and 'retrospective' approaches to the analysis of rural livelihoods. The former approach consists of a range of quantitative and qualitative methods, designed to gain a deeper understanding of modes of livelihood and rural social relations in the 'present', defined as the previous 12 months. The small size of the villages and the amount of time spent in them permitted a deeper immersion in the realities of 'local political economies' (i.e. the various linkages between economic policies, forms of survival, and labour and power relations). The 'retrospective' approach, by contrast, consists of a generation of information on long-term trends and changes (related to patterns of capital accumulation, labour mobility, and so on) through detailed village profiles and histories, as well as individual narratives collected from individual workers. Important insight into trajectories of change for individuals, households, and other social groups at different levels of aggregation were obtained by collating individual and village-regional histories against the background of macro-level processes and changes. This information allowed a more detailed analysis of the social and material basis of labour relations in the surveyed areas, and brought history into the picture. The combination of qualitative and quantitative methods in this study also aimed at transcending some of the most significant limitations of livelihood research applications and rural labour market research in Africa, based on 'closed' questions, as discussed throughout this thesis (GIRM and World Bank Ibid. 2007).

⁷³ This alternative definition takes into account financial relations between relatives who do not necessarily reside under the same roof. Such relations are of key importance to better understand and explain the participation of men and women in the labour market. A household is composed of persons (of common kinship link) who live together *and* those who, even if not permanent residents, contribute regularly to its income or crucially depend on it to survive. Such a definition captures the economic relations that characterize the households and help explain strategic choices and survival strategies. Thus, besides residence, the following categories were added: all direct dependants, i.e. individuals who depend on a member of the household; and individuals who contribute in a consistent way (not necessarily in a regular way) to the household's income. By doing so, the definition of the household is more exhaustive, for it encompasses the residence; the kinship; and contributors and dependants (GIRM and World Bank 2007).

Sampling Procedures

The sampling method utilised in the RLMS was multi-stage stratified random sampling, with stratification based on economic activity and augmentation. First, a list of all households was established from direct counting. Second, the stratification of households was carried out on the basis of the selected criteria (for instance, traders/people involved in commerce, livestock breeders, and employers) in order to create relatively homogenous groups in the population (PSU). Third, random stratified selection by economic activity was carried out. The sample was also *augmented* rationally. For instance, for the important cases that were not included in the random sampling, a reclassification was made on the basis of poverty criteria derived from the qualitative information obtained during the first phase of fieldwork. The background information necessary to use this sampling technique included: a full census of all households in the village; information of villages concerning agro-ecological zones, type of economic activity, ethno-cultural composition, distance from infrastructure and urban centres; and a baseline for each village concerning the main activities and patterns of employment (GIRM and World Bank Ibid. 2007). During the elaboration of the baseline detailed information about households were also collected and used for the stratification *ex-post*. As argued in GIRM and World Bank (2007), the combination of quantitative and qualitative methods facilitated the establishment of statistical representative samples in each village. Qualitative techniques, in particular, have facilitated the inclusion of all pertinent cases in the villages were represented, leading to an healthy sample diversity.

Consumption vs. Asset-based Measures

In the RLMS, the categorization of poverty status was carried out on the basis of an asset index (or possession score).⁷⁴ The potential of using an index of households' assets as a measure of household economic welfare – as opposed to more complicated (and typically

⁷⁴ GIRM/World Bank 2007 includes a detailed discussion on the possessions score tested and used, which is not presented here.

less reliable) methods involving collecting data on household expenditure – has received some attention in recent times (See Filmer and Pritchett 2001 on India, Sahn and Stifel 2003 on Africa and Asia, Caner and Wolff 2004 on the USA, Booysen et al. 2005 on SSA). Sahn and Stifel (2003) provide a convincing list of common problems associated with recording consumption data. First, consumption and expenditure surveys in developing countries are not carried out on a regular basis and suffer from low quality data, hence jeopardising solid inter-temporal comparisons. Second, consumption data, when available, is based on the basis of recall (usually 14 days or one month), which increases significantly the likelihood of incurring in large measurement errors. In addition, constructing consumption aggregates is tricky, as deriving the use value of goods consumed is problematic, and it is difficult to discern data on prices of goods, nominal interest rates and depreciation rates for semi-durable goods. The same problem arises in the calculation of rental equivalent for housing, in areas where housing rental markets are missing. The choice of deflators constitutes another problem in the measurement of consumption-based poverty, as consumer price indices are seldom reliable and available in developing countries, and regional prices indices often absent. This situation forces researcher to employ unit prices derived from surveys to construct deflators, making inter-temporal poverty comparisons a highly subjective matter. Inter-country comparisons are also problematic when using a money metric of utility to assess poverty as exchange rate distortions undermine the reliability of converting purchases of goods into common prices, unless one uses PPP prices, which are rough approximations and subject to considerable errors.

By contrast, the advantages of categorising households on the basis of a possession score have been discussed by, *inter alia*, Sender and Smith (1990), Pincus (1996) and Johnston (1997). The possession score consists of a list of representative items (representativeness is bound to vary from location to location) that can be counted with a sufficient degree of accuracy. Each item is assigned a value and a qualification.⁷⁵ In a nutshell, the main advantages of a possession score are as follows. First, the questions

⁷⁵ Pincus (1996), for instance, assigns value 1 for consumer durables, condition of house and small means of production and value 2 for large means of production. Qualification refers to "presence in the household" or "at least one per household member" (Pincus 1996:28).

posed are extremely simple, minimising problems arising from non-sampling errors that relate to ambiguities/inconsistencies of questions. Moreover, this method may also minimise translation problems, given that beds are beds and shoes are shoes. Second, the questions asked do not require calculations of past earning, 'guesstimates' of crop production etc., thereby solving the above-mentioned problems of estimating rural household incomes. Third, the information obtained can be easily corroborated by visual inspection, thereby minimising the problems related to respondent bias. Fourth, this method is also less prone to be distorted by seasonality in earnings and provide a better picture of the level of accumulation in the household. Finally, the possession score allow the researcher to measure with greater confidence than alternative techniques the socio-economic level of the households surveyed. Moreover, it allows for comparisons between possession scores and a number of other variables, such as land holding, cropping patterns, the use of productive inputs, level of hired labour, on-farm and off-farm income etc (see Sender and Smith 1990, Pincus 1996). Booysen et al (2005), however, also highlight some methodological problems associated with the measurement of welfare by using asset indices, notably when we are interested in comparisons over time. According to them (2005:28):

"Unlike income or expenditure, which can be relatively volatile or where mobility can be relatively rapid, asset indices are relatively slow-moving, because of the slow rate of change in the underlying asset variable. Thus, it is possible that important changes may take place in the economic situation of many households, whether for the better or for the worse, but that the asset indices would remain virtually unchanged. That being the case, our analysis cautions against using the indices constructed from asset variables to read into short or medium term economic mobility or variability in social welfare."

Choice of Villages

As it emerges from the RLMS report (GIRM and World Bank 2007), although the results of the RLMS would not be statistically representative for the whole country, it was

nevertheless important to choose locations that represented concrete realities of rural Mauritania. The choice was limited to three villages: Keur Moúr (KM), Edebay Ould Egueile (OE), and El Vieja (EV). Villages either too small (i.e. less than 150 inhabitants, not pertinent for this type of study) or too large (i.e. more than 1,000 inhabitants, posing too many logistical problems) were not considered for selection. The research team settled for 'medium' villages, EV and OE, comprising between 250 and 350 inhabitants, and one 'medium to large' village, KM, comprising between 500 and 1,000 people. This selection was done by taking into consideration the 2000 Census (GIRM 2000) and carrying out a detailed analysis of the size and location of villages in different regions of Mauritania. Additional criteria for the selection of villages were the level of specialisation and diversification into commercial agriculture, livestock and other sectors (commerce, transport, tourism and fisheries), the level of poverty, and presence of infrastructure. The villages were chosen so as to represent a good mix of more dynamic areas, connected with larger urban centres (KM), and less dynamic areas, characterised by greater isolation and less economic activity (EV and OE).

EV, located in the *wilaya* of Tagant, is a typical oasis-agriculture village, where artisanal activities and livestock are also important. It represents a rural reality, oasis agriculture, which has experienced a steady decline over the years due to the adverse effects on both cultivation and livestock of repeated droughts, the latter (especially) being an activity that allowed some form of capital accumulation amongst some families (Presumably benefiting from distress sales by others or abandonment of land). The exploitation of palm groves is carried out by local producers and also attracts operators coming from Nouakchott, a phenomenon apparent during the *Guetna*, which refers to the harvest of dates in Mauritania, which usually takes place from July to September. Despite its proximity to Nbeika and of the road linking Moudjeria to Tidjika, the village is isolated in the *oued* (e.g. a valley that remain dry except during the rainy season) when it rains. Hence the commercialisation of products during the rainy season is not possible. KM, situated in the *wilaya* of Trarza, represents the typical Senegal River valley village. It is located in a much more dynamic area, given its proximity to Rosso (Mauritania) and Dagana (Senegal), and is close to the irrigated perimeters of rice cultivation and regional

markets for agricultural and agro-pastoral products. Farmers in the area farm quite intensively, notably rice, and commerce and river fishing are also dynamic. Conflicts over land tenure, notably for irrigated land, have existed for decades and, as seen in Chapter 3, were at the root of the violence that erupted in 1989. The presence of a dynamic agricultural sector and capitalist farmers (*Grandes Domaines de Mauritanie*, GDM) also provides a stimulus to the labour market, more so than in other regions of the country. OE, located in the *wilaya* of Hodh el Gharbi, is characterised by agro-pastoral occupation, where agricultural activities are not particularly market oriented and livestock is significant. OE is isolated from the main poles of activity and communication, but is relatively close to a big village with market access (Koubenni) and to the Mali frontier (See Map in Appendix 3).

Quantitative and Qualitative Instruments

In the RLMS the methodological framework encompasses a combination of quantitative and qualitative data collection methods. The integration of qualitative and quantitative methods was carried out as illustrated in Table 5.1.

Table 5.1 Synthesis of Qualitative and Quantitative Methods, RLMS

		Principal Method	
		<i>Quantitative</i>	<i>Qualitative</i>
	<i>Sequence of methods</i>		
	Preliminary (May-Jun)	A1 (Households Census, Village and Household Questionnaire)	A2 (Focus groups, semi-structured interviews, observation during dry season, Guetna in EV)
	Subsequent (Aug-Oct)	A3 (Employment Questionnaire)	A4 (Focus groups, semi-structured interviews, more in depth on employment issues and social barriers, life histories)

Source: Adapted from GIRM/World Bank (2007).

The following *quantitative* techniques were used in the RLMS: ‘closed’ questionnaires for household, individuals (employment activities) and village characteristics. Household questionnaires sought to obtain information on: general characteristics of the household; education; health; employment; credits and community activities; household hiring in and

out of labour; possessions and dwelling conditions; and food security, agricultural production and livestock. Questionnaires at the individual level were developed, seeking information on detailed activities carried out in the reference period, whether paid in kind or by a wage. Individual sections for remunerated and self-employed activities were developed for agriculture; livestock; commerce, and crafts and transport. Employment questionnaires were designed to: study a sample of occupied and unoccupied people to better understand their activities (or inactivity), the work conditions, and the extent of occupation multiplicity; determine the working conditions for different forms of employment and economic activities; develop a classification of workers based on social status, occupation and remuneration types and constraints related to the exercised activities; and obtain detailed information on all identified activities in each village. Village questionnaires were done to verify that the data on the basis of which villages were selected were sound; and to collect general information, notably the number of households and their ethno-linguistic composition.

Qualitative techniques used in the RLMS included direct observations; life narratives; and semi-structured discussions. Focus groups are often used as ways to analyse topics in a qualitative, open manner, where respondents themselves are involved in debates introduced by the group facilitators. In the surveyed villages efforts were made to include in focus groups 'important' persons who were not originally part of the selection but showed up spontaneously. The focus groups were organized in both phases of the fieldwork, first to understand the more and less typical village occupations, categorise the forms of social stratification in the village and identify who does what; and subsequently, to explore more specific questions related to the type of activity carried out, forms of remuneration, and conflicts and barriers to entry to certain activities. Notes were also taken on work schedules; the characteristics of people who participated most often in determined activities (i.e. socio-economic profile of labour providers); the different types of work arrangements; the difficulty of the tasks; the nature of work places and working conditions; and the personalized relations between the employers and the workers. At the end of the second phase of fieldwork, life histories were collected, focussing on particular interesting and representative cases and including topics such as: the terms of access to employment;

the reasons for occupation changes; work-related conflicts; the accumulation processes (start-ups); and migration issues. The histories of local political powerful figures and businessmen were compared to those of poorer and more vulnerable people in each village, in order to formulate some hypotheses on the dynamics of entry and exit from poverty, focussing in particular on changes in work occupations and forms of survival and accumulation. Semi-structured discussions were organized to obtain a better quality of responses while keeping the discussion within a standard structure. Semi-structured discussions with key respondents (the politically powerful, economic operators, migrants, and so on) often generated a wealth of information, which was instrumental for understanding the village context, its history and internal dynamics, the evolution of employment patterns, and the dynamic (or potentially dynamic) links between the activities practised in each village. This information was invaluable in answering some of the questions arising from the quantitative analysis, and the findings of focus groups (see GIRM and World Bank 2007).

The analysis now turns to the main finding of the surveys discussed in this chapter, starting with the 2004 EPCV. Chapter 7 subsequently reviews the main results of the RLMS.

CHAPTER 6: AN ANALYSIS OF THE MAURITANIAN LABOUR MARKET THROUGH THE LENS OF THE 2004 NATIONAL HOUSEHOLD SURVEY

6.1 INTRODUCTION

The analysis of the labour market based on the employment section of the 2004 National Household Survey (EPCV) – conducted in this chapter – draws from Rajadel, Pontara and Sanchez-Puerta (2009), as mentioned at the outset of this thesis. This chapter, however, takes a further step with respect to that paper and critically examines the EPCV results against the theoretical and methodological discussion on the labour market conducted in the Chapters 1-5. In particular, the analysis conducted here uses the EPCV findings to examine some of the assertions made earlier, concerning the inability LSMS to produce a reliable picture of the labour market, in contexts where the un-numerated sector is large. Indeed, the key results of the EPCV include some ‘expected’ patterns, such as: very low labour market participation rates for young adults and females; relatively high levels of unemployment, notably so amongst the poor; and a strong positive correlation between wealth and wage employment. Moreover, the EPCV portrays a remarkably similar picture of the main labour market indicators for both rural and urban areas. In the former, most rural dwellers are categorised as wage-less self-employed. The EPCV data also shows patterns of gender discrimination in the Mauritanian labour markets, which warrant further investigation. Women systematically earn less than men independently of their sector and type of employment and controlling for other factors, such as education.

Section 6.2 critically reviews the main labour market indicators in Mauritania. Section 6.3 concentrates on employment patterns, with particular emphasis on sector and type of employment by zone of residence and socio-economic status. Section 6.4 focuses on special issues, including gender discrimination in the labour market and wage determination for a number of categories and sectors of employment.

6.2 THE MAURITANIAN LABOUR MARKET ACCORDING TO THE EPCV 2004 DATA

6.2.1 Key Labour Market Indicators⁷⁶

The labour force *participation rate* is around 49.3 percent in Mauritania (Table 6.1). Using the relaxed definition of participation, this proportion increases to 56.3 percent. Participation rates vary enormously between men and women: only 28 percent of working-age women participate in the labour force against 73.4 percent for working-age men (Table 6.5). This share is a remarkably lower than those found in Mali, Senegal, Burkina Faso, and Morocco (respectively 47.5, 42.5, and 46.5 percent), but similar to the figure for Morocco (28.7 percent) (see Table 6.1). On aggregate, participation rates do not display significant variations between rural and urban areas. However, a higher proportion of men participate in rural than urban labour markets, while the converse holds for women. From a poverty standpoint, the labour force participation of the poor and extremely poor (respectively 50.1 percent and 51 percent) is only marginally higher than that of the non-poor (48.7 percent). Looking at the participation rate by age groups, people between 15 and 24 years of age display significantly lower levels of participation (32 percent) than other groups (e.g. the participation rate for the 25-54 age group is 63 percent), and this also holds when gender is taken into account (Table 6.5).

Table 6.1 Main Labour Market Indicators: Mauritania and Neighbouring Countries, EPCV

	<i>Mauritania</i> ^a	<i>Senegal</i> ^b	<i>Mali</i> ^c	<i>Morocco</i> ^c	<i>B. Faso</i> ^c
Labour force participation ^d	49.3	70.7	79.3	55.4	85.0
Employment-to-population ratio	42.1	62	70.2	46.9	81.5
Unemployment rate ^d	14.7	5.8	8.8	11.2	...
Female participation in the labour force	28	42.5	47.5	28.7	46.5

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are shown in percentage; ^a World Bank 2007; ^c Source: WDI 2005, 2006; ^d Standard ILO definition.

⁷⁶ The main definitions of the indicators used in this chapter are presented in Appendix 1.

The *employment to population rate* is 42.1 percent (Table 6.2). This estimate is also considerably lower than the corresponding values in the countries listed in Table 6.1. The gender is substantial: around 65 percent of men are employed versus only 22 percent of women. The zone of residence does not affect the employment rate. But, as observed above, the employment rate for men is higher in rural than in urban areas, while the converse is true for women (Table 6.5). From a poverty standpoint, a smaller proportion of the poor are actually employed: the employment-to-population stands at 41.5 percent for the poor and 40.9 percent for the extremely poor compared to 42.5 percent for the non-poor. However, these differences are not substantial. Disaggregating by poverty and gender, 66.2 percent of non-poor men are employed compared to 63.4 percent for the poor and 61.9 percent for the extremely poor. Female's employment-to-population rate appears to be only weakly correlated to poverty: 22.4 percent of poor women are employed against 21.4 percent of the non-poor. In terms of age groups the employment-to-population ratio for the 15-24 bracket is roughly half the overall employment rate for Mauritania, showing that young people find substantial difficulties in entering the labour market, and this holds even when gender is taken into account (Table 6.5).

Table 6.2 Employment-to-Population by Poverty Status, Gender, Living Area, and Age Group, EPCV

	<i>All</i>	<i>Non-poor</i>	<i>Poor</i>	<i>Extremely Poor</i>
<i>All</i>	42.1	42.5	41.5	40.9
<i>By gender:</i>				
<i>Male</i>	65	66.2	63.4	61.9
<i>Female</i>	21.8	21.4	22.4	22.2
<i>By living area:</i>				
<i>Rural</i>	42.7	42.8	42.7	41.3
<i>Urban</i>	41.2	42.2	38.5	39.1
<i>By age group:</i>				
<i>15-24</i>	21.6	20	23.5	21.8
<i>25-54</i>	53.2	54.4	51.6	51.6
<i>55-64</i>	54.9	50.9	60.4	64

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

Around 14.7 percent of the labour force are recorded as unemployed in Mauritania (Table 6.3), *above* the unemployment rates displayed by neighbouring countries (Table

6.1). Moreover, discouragement is significant since the relaxed unemployment rate is higher than the standard one by more than ten percentage points, reaching 25.3 percent (a jobless person who reports not having looked for a job because 'there were no jobs' in the EPCV survey is considered as discouraged, see Appendix 1). On aggregate, female unemployment rates are double than those for males. Despite the similarity of labour market indicators in rural and urban areas, the overall unemployment rate is lower in rural than urban areas, especially when including those discouraged. In line with the data described above, the unemployment rate for males tends to be higher urban areas, while the converse applies to women (Table 6.5). From a wealth standpoint, 17.2 percent of the poor are unemployed (19.8 percent for the extremely poor) compared to 12.6 percent on the non-poor. Hence, *there is a strong positive correlation between being poor and unemployed*. Unemployment for the non-poor tend to be higher in urban (14.6 percent) than in rural areas (10.2 percent). Women's unemployment is also positively correlated with poverty (Table 6.3).

Table 6.3 Unemployment by Poverty Status, Gender, Living Area, and Age Group, EPCV

	<i>All</i>	<i>Non-poor</i>	<i>Poor</i>	<i>Extremely Poor</i>
<i>All</i>	14.7	12.6	17.2	19.8
<i>By gender:</i>				
<i>Male</i>	11.4	9.8	13.5	15.2
<i>Female</i>	22.3	19.5	25.1	29.4
<i>By living area:</i>				
<i>Rural</i>	14.2	10.2	17.2	20
<i>Urban</i>	15.3	14.6	17.3	19.4
<i>By age group:</i>				
<i>15-24</i>	33.8	30	37.1	42.8
<i>25-54</i>	9.6	9.1	10.3	11.6
<i>55-64</i>	1.9	1.8	2	2.1

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

Unemployment affects the young disproportionately when compared to prime-age workers. Discouragement also appears to be a major issue for youth whose relaxed unemployment rate towers at 52.4 percent. The unemployment rate amongst the 15-24 age group stands at 33.8 percent. This finding cut across the gender divide. In contrast, the 35-54 age group displays a mere 4.9 percent unemployment rate. Looking at poverty levels

amongst young adults, 37.1 percent of the youth from poor households and 42.8 percent of those from extremely poor families report being unemployed, against 30 percent of young adults living in non-poor households (Table 6.5).

The overall *non-participation rate* in Mauritania stands at 50.7 percent (Table 6.4). *Female non-participation drives this statistic*, as 72 percent of working-age women do not participate in the labour market, representing three-quarters of all non-participants. Overall, non-participation is similar in urban and rural areas. Men living in urban centres are more likely to be out of the labour force than those in rural regions whereas the opposite is true for women. This observed discrepancy for men is mainly due to the fact that the proportion of (male) students is higher in urban areas (See Table H in Appendix 2).⁷⁷ The non-poor appear only slightly more likely to 'opt out' of the labour market (51.4 percent) than the poor (49.9). While wealth does not appear to influence men's participation to the labour market in a dramatic way, female non-participation declines with poverty: hence, females from wealthier households (73.5 percent) are more likely to opt out of the labour markets than their counterparts from very poor families (68.5 percent). Although rural non-participation is slightly lower than the urban one for the overall population, a higher proportion of the rural non-poor are out of the labour force than of the urban non-poor (respectively 52.3 percent and 50.5 percent). Moreover, in rural areas, the poor appear more likely to participate in the labour market than the non-poor. The converse is observed in urban centres where non-participation is higher amongst the poor. Non-participation is also high amongst younger groups and decreases gradually with age before going up again for people aged 55 or more. Hence, over two-thirds of the population aged 15-24 is out of the labour force compared to less than 40 percent of those aged 35-54. In terms of poverty levels and non-participation, the same trend observed for men and women applies to youth: while 67.3 percent of all individuals aged 15-24 are out

⁷⁷ Family and household obligations are cited by over half of respondents as the main reason for non-participation. While similar proportions of men residing in rural and urban areas report being out of the labour force because of the lack of work (respectively 26 and 27.6 percent), 51.5 percent of urban males and 36.5 percent of rural males attribute non-participation to being in school. Family or household obligations weigh heavily on women's decisions to remain out of the labour force in rural areas (70 percent) more so than in urban centres (56 percent) where they are also more likely to be studying (20 percent in urban areas versus 8 percent in rural areas (see Tables A and B in Appendix 2).

of the labour force, the proportion increases to 71.4 percent for those from non-poor families (Table 6.5).

Table 6.4 Non-Participation by Poverty Status, Gender, Living Area, and Age Group, EPCV

	<i>All</i>	<i>Non-poor</i>	<i>Poor</i>	<i>Extremely Poor</i>
<i>All</i>	50.7	51.4	49.9	49
<i>By gender:</i>				
<i>Male</i>	26.6	26.5	26.7	26.9
<i>Female</i>	72	73.5	70.1	68.5
<i>By living area:</i>				
<i>Rural</i>	50.2	52.3	48.5	48.3
<i>Urban</i>	51.4	50.5	53.4	51.4
<i>By age group:</i>				
15-24	67.3	71.4	62.6	61.8
25-54	41.2	40.2	42.5	41.7
55-64	44	48.2	38.4	34.6

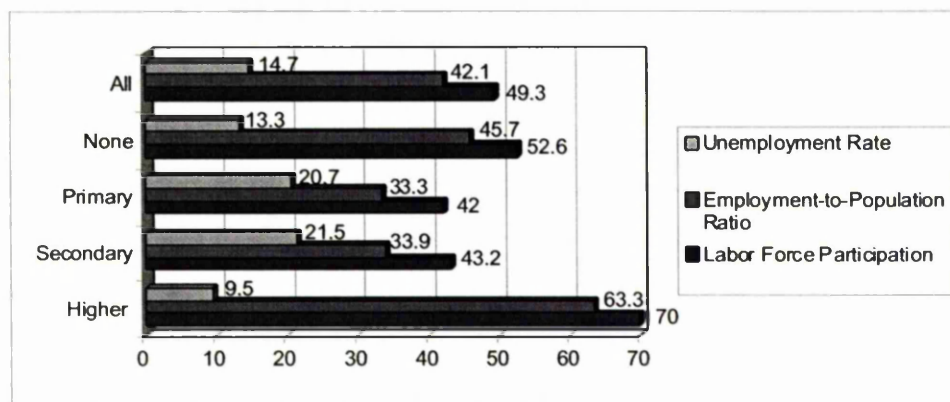
Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

Returns on education appear to be weak, especially for the youth. Mauritania deployed considerable efforts in the past two decades to improve access to education throughout the country.⁷⁸ Consequently, young adults display higher levels of schooling than their elders (see Tables C in Appendix 2). Yet, the youth display lower participation in the labour market *and* employment rates than prime-age workers, an important share of which never completed primary school. This explains why individuals with no education appear to do better than the others in Figure 6.1, as education captures most of the age group effect. Moreover, completing secondary school does not improve access to the labour market, especially when compared to completing primary school. This might be due to the difficulties the young experience in obtaining a first job, regardless of their educational achievements. Tertiary education, by contrast, does seem to have a positive effect: labour market indicators markedly improve for those who are in this category. Differentials in

⁷⁸ Between 1990 and 2006, while the gross enrolment rate at the primary level increased significantly, the retention rate deteriorated markedly – from 73.8 to 44 percent. In other words, in 2006 only 44 percent of children enrolled in Grade 1 completed successfully Grade 6 (Magnoli-Bocchi et al. 2008).

educational attainments only partly explain the gap in labour market outcomes between the poor and non-poor.⁷⁹

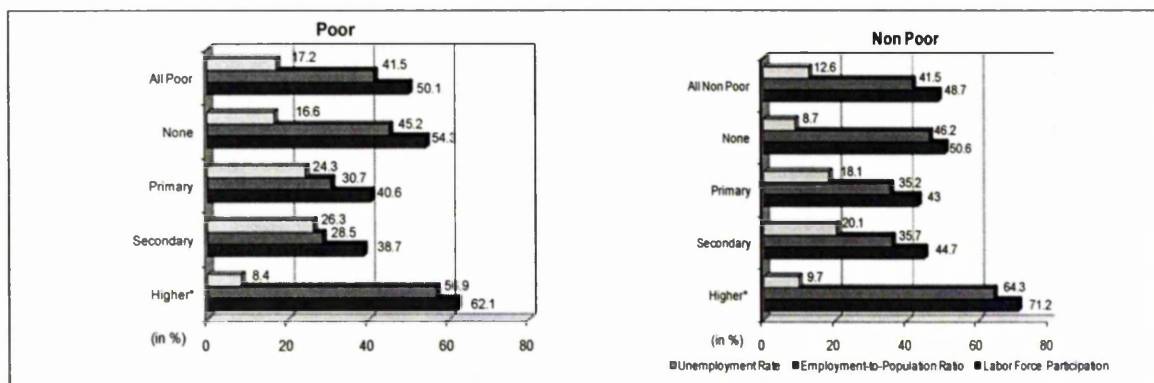
Figure 6.1 Main Labour Market Indicators by Education Level, EPCV



Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

Looking at the main labour market indicators by education and poverty status, the following patterns emerge (Figure 6.2). Amongst individuals with no education, the poor exhibit a substantially higher unemployment rate than the non-poor (16.6 percent compared to 8.7 percent). Labour market indicators are also worse for the poor with primary and secondary education than for the non-poor with such levels of education. For instance, the poor with primary or secondary education participate less in the labour market than the non-poor with the same level of education. Moreover, when they do participate in the labour market, they face higher unemployment rates than the non-poor. Unemployment is high amongst the poor with some schooling: 24.3 percent of the poor with primary education and 26.3 percent of those with secondary education are unemployed compared to 18.1 percent and 20.1 percent respectively for the non-poor. The difference observed in unemployment rates between the poor and the non-poor is not as high for individuals with primary or secondary education as it is for those with no education: thus, schooling might contribute somewhat to narrow the gap.

⁷⁹ Two-thirds of the poor received no education compared to 44 percent of the non-poor, and approximately 22 percent of the poor have some primary schooling and 11 percent attended secondary school, compared to 24 percent and 28 percent respectively for the non-poor (See Table D in Appendix 2).

Figure 6.2 Main Labour Market Indicators by Education and Poverty Status*, EPVC

Source: Rajadel, Pontara and Sanchez-Puerta (2009). *Only 1 percent of the poor and 4.5 percent of the non-poor received some higher education.

Regional differences are important. Tiris Zemmour and Adrar, mainly desert areas, display the lowest labour force participation and employment-to-population rates. But unemployment is smaller than the national average in Tiris Zemmour, because its capital Zouerate is a centre for iron ore mining. Labour force participation and employment are highest in Guidimagha, Gorgol, Assaba, and Hodh El Gharbi which border Senegal and Mali and where most of the population is concentrated. Rates of unemployment vary considerably across regions, with Assaba and Hodh Ech Chargui exhibiting the lowest rates, whereas Dakhlet Nouadhibou and Guidimagha tower at 35 and 34 percent (see Table E in Appendix 2 and the Map of Mauritania in Appendix 3).

6.2.2 Summary of Findings on Key Labour Market Indicators: A Critical Examination

In sum, the analysis of Mauritania's key labour market indicators on the basis of the employment section of the EPCV questionnaire shows that:

- The labour market appears to be less 'dynamic' than that of its neighbours. Only 49.3 percent of the working-age population participates in the labour market. The employment-to-population ratio is 42.1 percent. Around 14.7 percent of the labour force is unemployed, 25.3 percent if the relaxed definition of unemployment is used. These are high figures for African standards (except for South Africa). The overall non-participation rate stands at 50.7 percent.

- Substantial differences emerge between gender labour market indicators. Only 28 percent of working-age women participate in the labour market (that is, female non-participation stands at 72 percent) and only 21.8 of women aged 15 to 64 are employed. Female unemployment rates are double those of men.
- The young experience difficulties in entering the labour market. The employment-to-population ratio for the 15- age group is roughly half the overall employment rate. Over two-thirds of the population aged 15 to 24 is out of the labour force compared to less than 40 percent of those aged 35 to 54.
- There is a positive correlation between being poor and unemployed (notably in rural areas) and this finding cur across gender, zone of residence and age-group divides. By the same token, there is a positive correlation between being non-poor and 'opting out' of the labour market, and this is particularly true for women.
- There are no substantial differences in labour market indicators when the analysis is disaggregated by zone of residence. In addition, educations returns are weak, especially for the youth. Labour market indicators vary considerably at the regional level: the *wilaya* of Guidimagha in the rural south displays the poorest labour market indicators.

A number of considerations can be made concerning this snapshot of labour market indicators, drawing from some of the analysis conducted earlier on in this thesis. First of all, one element that stands out is the high level of unemployment, and the fact that this phenomenon is particularly pervasive amongst the poor, and notably so in rural areas. As argued throughout this dissertation, the notion of 'unemployment' may be a poor guide for policy makers in contexts where the 'un-enumerated' sector is predominant, as in the case of Mauritania. In such countries, it is very unlikely that the poor can afford to be unemployed. Indeed, it is quite interesting to notice that the highest incidence of unemployment is recorded in the *wilaya* (province) of Guidimaha, which is a predominantly rural region with extremely high incidence of poverty. Hence, it is unlikely that unemployment statistics can tell us much about the nature of labour market participation in Mauritania (notably in rural areas), bar for the enumerated sectors. One of

the key factors behind these results, as argued more at length in Chapter 7, is that respondents have very different ways of interpreting the notion of 'employment' (and thus unemployment). In sum, the results concerning unemployment can be explained as follows: the EPCV questionnaire covers at best the enumerated sector (or formal employment, including the upper tier of the 'informal' sector), thus by definition showing high levels of unemployment amongst the poor who are excluded from formal employment. Moreover, the one-week reference period (albeit with the possibility of going to 12-month) and the lack of disaggregation of the employment questionnaire, discussed in Chapter 5, is not geared at capturing the casual, seasonal nature (and general complexity) of employment patterns, notably so in rural areas. To be sure, unemployment is also relatively high amongst the non-poor. However, here, this phenomenon refers mainly to unemployment in the enumerated sector – which is, once more, what the EPCV is able to capture – which may be voluntary (or a 'luxury'), mainly experienced by well-off urban dwellers. Secondly, the 'relaxed' or 'expanded' definition of open unemployment – which is even higher – may capture the inclusion of young, educated people, which may be discouraged by greater expectations and a more discriminating attitude with respect to the place and type of job than by the inability to find any kind of work at all.

A further important result worth commenting upon is the very low participation rate of women in the labour market, which stands at a very low 28 percent. This magnitude is broadly similar to that of Morocco, but sharply at odds with other neighbouring countries, such as Senegal, Mali and Burkina Faso (see Table 6.1 again). Disaggregating this statistic by age group, in Mauritania only 30 percent of females between 25-34 years of age participate in the labour force. This finding is dramatically at odds with the corresponding averages found in SSA, where around 70 percent of women are considered active participants in the labour market; but it is comparable with those found in the Middle-East and North Africa region (MENA) – which are amongst the lowest in the world – where around 40 percent of women participate actively in the labour market (Roudi-Fahini and Moghadan 2003, Kapsos, 2007). According to Kapsos (Ibid. 2007) the marked increase in women's participation rates in MENA since the 1980s – from 20 to 40 percent for the age group 25-34 – has been due, *inter alia*, to the increased proportion of young women who

are literate. In Mauritania, the remarkable achievements in female literacy and schooling in the last few years do not seem to have translated, for the time being, in better labour market outcomes. As argued in Chapter 4 above, Mauritania is a bridge between North Africa and SSA, and a sizeable share of the population is located in the southern strip, along the Senegal River. Finding such low levels of female participation in the labour force in the heavily populated agricultural south, therefore, seems surprising, at a minimum. Chapter 6 below will return on this issue. One further finding is worth noticing, which throws further doubts over the ability of the employment section of the EPCV to capture the salient features of the Mauritanian labour market beyond broad generalisations. It is striking to notice that there are no substantial differences in labour market indicators when disaggregating the analysis by zone of residence (urban, rural). Independently from the labour market indicator under consideration, differences according to the zone of residence are not substantial, indeed quite negligible.

Table 6.5 Mauritania: Summary of Main Labour Market Indicators, EPCV

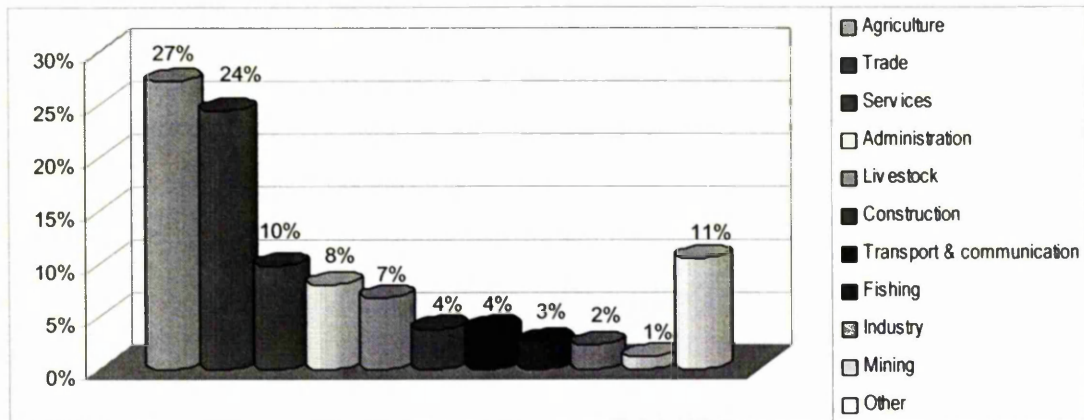
	Share of the working age population	Labour force participation	Employment-to- population ratio	Unemployment Rate	Relaxed unemployment rate*	Relaxed labour force participation*
<i>All</i>		49.3	42.1	14.7	25.3	56.3
<i>Gender</i>						
Male	46.8	73.4	65	11.4	18.4	79.7
Female	53.2	28	21.8	22.3	38.7	35.6
<i>Living area</i>						
Rural	57.1	49.8	42.7	14.2	23.1	55.6
Urban	42.9	48.6	41.2	15.3	28.1	57.2
<i>Age group</i>						
15-24	36.4	32.7	21.6	33.8	52.4	45.5
25-34	22.5	52.5	43	18.1	27.4	59.2
25-54	33.5	63	60	4.9	8.4	65.4
55-64	7.6	56	54.9	1.9	3.7	57
<i>Poverty</i>						
Non-poor	44.1	48.7	42.5	12.6	23.6	55.6
Poor	55.9	50.1	41.5	17.2	27.4	57.1
Extremely poor	26.6	51	40.9	19.8	29.1	57.6
<i>Male by age group</i>						
15-24	17.2	45	31.3	30.3	45.4	57.3
25-34	9	85.6	74.6	12.8	18.3	91.4
25-54	16.3	94.5	91	3.7	5.4	96.2
55-64	4.3	78.6	77.4	1.5	3.3	80
<i>Female by age group</i>						
15-24	19.2	21.6	12.9	40.4	63	34.8
25-34	13.5	30.3	21.8	28.2	42.2	37.7
25-54	17.2	33.4	30.6	8.1	16	36.5
55-64	3.3	26.5	25.6	3.4	5.2	27
<i>Male by living area</i>						
Rural	26.4	71.3	68.8	10.5	15.9	68
Urban	20.4	67.7	60	12.7	21.9	64.2
<i>Female by living area</i>						
Rural	30.7	28.6	20.3	23.3	38.4	32
Urban	22.5	32.3	23.9	20.8	39.2	35.8

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage. * The relaxed definition for unemployment includes all the unemployed according to the ILO definition as well as all individuals who did not work in the reference week and did not look for a job because they thought there were no jobs available.

6.3 EMPLOYMENT PATTERNS AND SOCIO-ECONOMIC STATUS

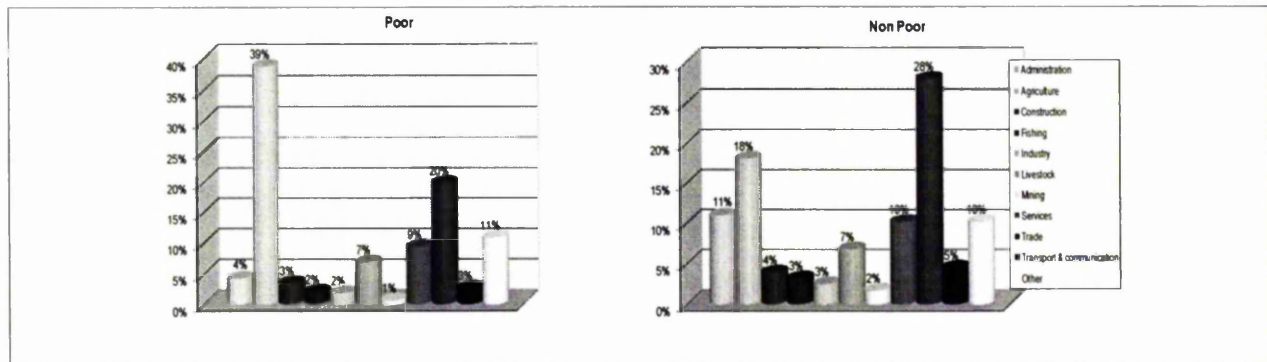
6.3.1 Sectors and Types of Employment

According to the EPCV data, most people in Mauritania are employed in the tertiary sector of the economy (Figure 6.3), which accounted for nearly 40 percent of GDP in 2008 (World Bank, 2009, see Table N in Appendix 2). Trade, services, construction and transport and communication make up for more than 40 percent of employment, while the civil service accounts for around 8 percent of total employment and around 12 percent of GDP in 2008. The agricultural sector is the biggest single sector of employment, accounting for 27 percent of total employment, yet its contribution to GDP – at around 15 percent – is markedly lower than that of some neighbouring countries. According to the World Development Indicators 2009, the contribution of agriculture to GDP in Burkina Faso and Mali was in the order to Over 30 percent in 2007, while in Senegal and Morocco, the figure for 2007 are respectively 15 and 14 percent. However, arguably, the Mauritanian economy is markedly less diversified than those of the two latter countries (World Bank 2009a). Adding livestock, ‘rural development’ absorbs around 34 percent of the labour force. The fisheries and mining sectors, which provide virtually all of the country’s export revenues and some 15 percent of GDP, employ a mere 4 percent of all workers. Fisheries employ around 30-35,000 people. Industrial and artisanal fishing employ around 4,000 and 11,000 workers respectively. In addition, around 18,000 people are employed on land (GIRM 2006b, see also comparisons with Senegal in Chapter 3). This phenomenon also underlies the limited employment potential of the extractive industries (mining and oil), and the untapped potential of the fisheries sector (in sharp contrast to Senegal), which was discussed more in depth in Chapter 3. These issues, and in particular the discussion of what sectors of the economy – looking forward – should be considered by the Mauritanian authorities as having a good potential for employment generation, are picked up again in Chapter 7.

Figure 6.3 Sectors of Employment, Relative Importance, EPCV

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

Breaking down the data by poverty level (Figure 6.4), around 40 percent of the poor are employed in agriculture versus 18 percent of the non-poor. By contrast, the non-poor are more heavily represented in trade (28 percent), in agriculture (18 percent) and in the public administration (11 percent). The other sectors do not display significant differences between the poor and the non-poor. Hence, with the partial exception of the civil service (and to a lesser degree agriculture), both poor and non-poor are more or less equally represented in the various sectors of the economy.⁸⁰

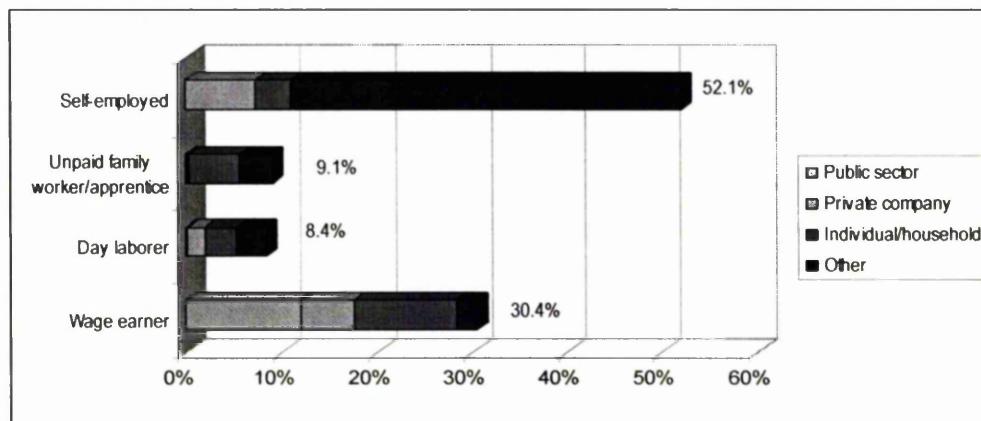
Figure 6.4 Sectors of Employment by Poverty Status, EPCV

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentages.

⁸⁰ The breakdown by gender reveals that women are heavily represented in industry (mainly fishing), agriculture commerce and services, while men are active in livestock, fisheries, construction and mining (Table E in Appendix 2).

According to the EPCV data, around 70 percent of those recorded as employed in Mauritania do not work for a (regular) salary, while around 30 percent (unambiguously) do (Figure 6.5). Self-employment, as 'expected' in this type of survey, is the predominant type of employment recorded, gathering over half of the employed population, or 52.1 percent. Looking at the sub-categories of self-employment, most individuals categorized as such fall under the 'other' category, which is made up of own-account farmers and livestock breeders (46 percent), salespersons (17.6 percent) and traders and shop-keepers (15.5 percent) (percentages not shown in the figure). Wage earners – 30.4 percent of the employed population – form the second major group of employed people in Mauritania. Around just less than a fifth of all wage earners work for a private company. A significant chunk of wage workers are employed by the public sector (40 percent of all wage workers) or smaller structures, recorded as 'private individuals' (15 percent) or 'households' (35 percent) (percentages not shown in the figure). Unpaid family workers and apprentices represent the third category in order of importance, nearly a tenth of the employed population. They work mostly for private individuals or households. Finally, daily labourers account for 8.4 percent of total employment. The distinction between daily labourers and 'unpaid' family labour is a helpful one, as in past surveys in Mauritania the former were subsumed into the latter, leading to underestimation of the number of people who depend on a wage – however meagre – for their survival.

Figure 6.5 Types of Employment and Employer, EPCV



Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

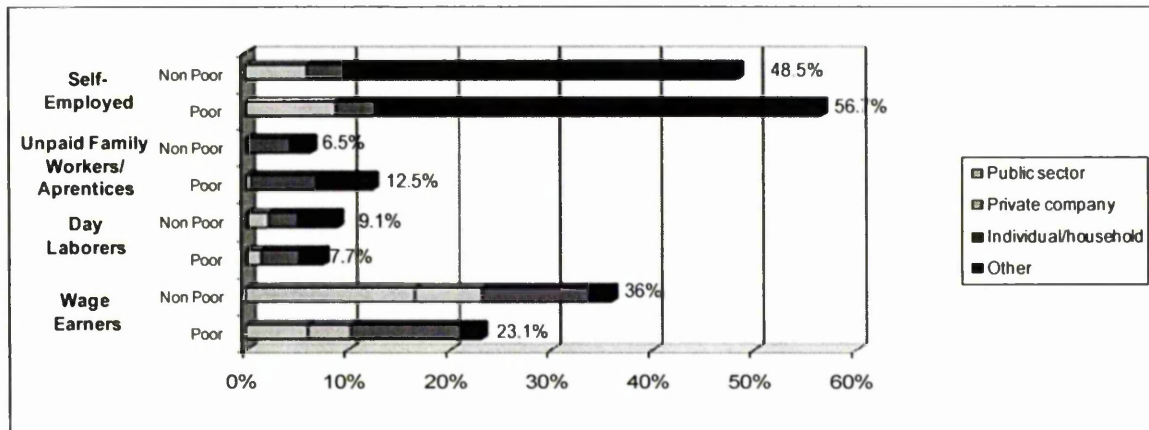
As shown in Table 6.6, there is a clear negative relationship between poverty and wage employment, which seems to confirm the impression that the EPCV captures essentially the enumerated sectors of the labour market in Mauritania (see also discussion below). Amongst wage earners, the non-poor vastly outnumber the poor: the extremely poor account for only 19.3 percent of all wage earners. The same pattern is observed for daily labourers. By contrast, the poor are overly represented in the unpaid family labour/apprentice category, while amongst the self-employed, the proportion of poor and non-poor is roughly equal.

Table 6.6 Types of Employment and Poverty, EPCV

	<i>Non-poor</i>	<i>Poor</i>
<i>Wage earners</i>	66.7	33.3
<i>Day Labourers</i>	60.4	39.6
<i>Unpaid family labour / apprentices</i>	39.9	60.1
<i>Self-employed</i>	47.5	52.5

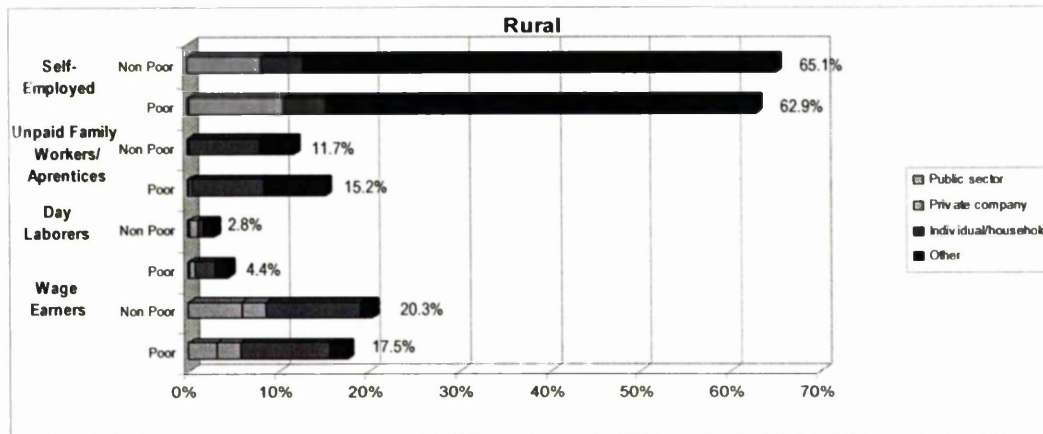
Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

On aggregate, looking at the types of employment and employer by poverty status (Figure 6.6), the non-poor rely more on wage earning than the poor: 23.1 percent of the poor are wage employed versus 36 percent amongst the non-poor. This confirms the results already discussed. Non-poor wage earners work predominantly for the public sector (46.2 percent) and private individuals or households (23 percent). The converse is observed for poor wage earners: 46.6 percent are employed by private individuals or households compared to 26.4 percent by the public sector (percentages are not highlighted in the figure). Similar proportions of poor and non-poor wage earners work for private companies (18.2 percent for both). As discussed above, the vast majority of self-employed – irrespectively whether poor or non-poor are categorized as ‘other’ (i.e. own account farmers, livestock breeders, salespersons, traders and shopkeepers). Unpaid family workers and daily labourers tend to be employed by private individuals and households or are classified in the ‘other’ category.

Figure 6.6 Types of Employment and Employer by Poverty Status, EPCV

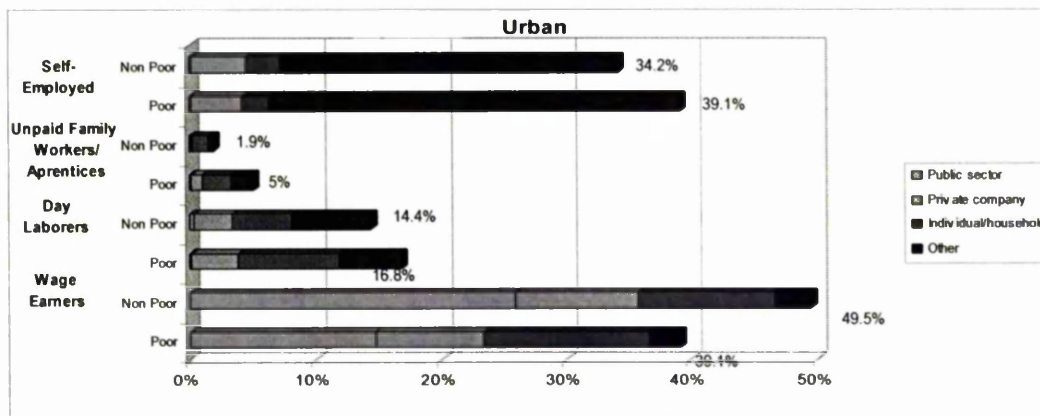
Source: Rajadel, Pontara and Sanchez-Puerta, (2009). Figures are displayed in parenthesis.

Figures 6.7 and 6.8 disaggregate employment and employers by poverty status and by zone of residence. The main difference that emerges here is that the proportion of people engaged in wage employment is much higher in urban than rural areas, as 'expected' in this type of survey. As for other visible differences, the proportion of both poor and non-poor people engaged in daily labour is much higher in urban than rural areas, an interesting phenomenon. Concerning rural areas in particular, the proportion of self-employed people is very high, both amongst the poor and the non-poor (with the latter being sensibly more numerous in this category). If one adds to this category that of unpaid family workers and apprentices, then nearly 80 percent of recorded employment in rural areas does not involve a regular wage or salary being paid out (Figure 6.8). Clearly, monetised transactions are not absent in self-employment, otherwise one would wonder how the majority of Mauritanian would survive. The point here is that – as discussed more in depth below – the boundary between wage- and self-employment is likely to be blurred in Mauritania, and the former is taken as a residual category after other categories have been recorded (or not recorded). Once again, the results of the EPCV in this respect seem to be broadly in line to those obtained by other LMSM surveys in rural Africa, where the majority of the employed population in both urban and rural areas (and typically much more so in the latter) is typically categorized 'self-employed'.

Figure 6.7 Types of Employment and Employer by Poverty Status in Rural Areas, EPCV

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

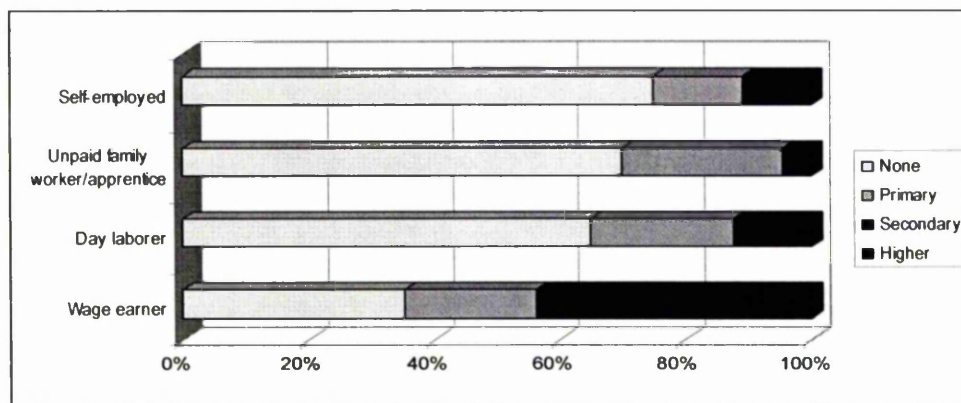
As for urban areas (Figure 6.8), the relative proportions of wage and self-employment are the opposite of those examined in rural areas. Here, wage work dominates, notably amongst the non-poor, although nearly 40 percent of the poor also fall into this category (and about a third of them work for the public sector, probably as drivers, cleaners, and so on). Amongst the non-poor who receive a salary – more than half of them do so in the public sector. A higher proportion of the poor than non-poor falls into the categories of daily workers (although around 14 percent of the non-poor are also recorded there), self-employed, and unpaid family workers and apprentices.

Figure 6.8 Types of Employment and Employer by Poverty Status in Urban Areas, EPCV

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

Figure 6.9 looks at the type of employment and educational attainment. On aggregate, three-quarters of the self-employed have received no education. Around 14 percent went to primary school, 9 percent to secondary school and virtually none have a higher level of education. Amongst unpaid family workers and apprentices a quarter of them did go to primary school though, while the proportion of them receiving secondary education is much lower and virtually none when higher education is taken into account. Finally, two-thirds of day labourers received no education, over 20 percent went to primary school, and 10 percent to secondary school. In addition, on average, wage earners exhibit higher levels of education than the overall population: only 35 percent of them have no schooling, while 33 percent attended secondary school, and 11 percent studied beyond high school.

Figure 6.9 Types of Employment and Education, EPCV

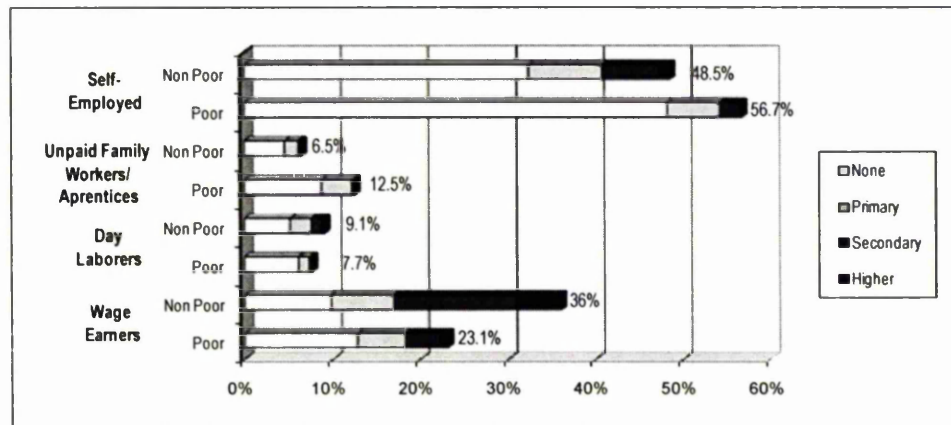


Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

Looking at the type of employment and education by poverty status (Figure 6.10), it emerges that the vast majority of poor self-employed people received no education. The same stands for the non-poor self-employed (66 percent never went to school) although they also include individuals with primary and secondary education (respectively 17 percent, and 18 percent), thus suggesting that the latter might engage in higher value-added independent activities. Although over half of the poor wage earners have no schooling (55 percent), 24 percent did go to primary school and 17 percent to secondary school. Non-poor wage earners generally display, as expected, higher levels of education

than the poor: only 27 percent have no education whereas 20 percent have some primary education, 39 percent have some secondary education, and 14.3 percent higher education

Figure 6.10 Types of Employment and Education by Poverty Status, EPCV



Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

6.3.2 Summary of Findings on Employment Patterns: A critical Examination

In sum, on the basis of the analysis elaborated in this section, the following characteristics emerge concerning the main employment patterns in Mauritania:

- The tertiary sector of the economy – trade, services, construction and transport and communication – absorbs more than 40 percent of employment, while the civil service accounts for around 8 percent of total employment. The agricultural and livestock sectors combined absorb around 34 percent of the labour force. The extractive industries combined provide a meagre 4 percent of employment.
- The poor are mostly employed in the agricultural sector, but also in trade and service and in the livestock sector. The non-poor are more heavily represented in trade and in the public administration. Other sectors do not display significant differences between the poor and the non-poor, indicating patterns of differentiation within certain segments of the Mauritanian economy.

- Around 70 percent of those recorded as ‘employed’ in Mauritania do not work for a regular wage or salary, while around 30 percent (unambiguously) do. In rural areas these proportions are, respectively, 80 and 20 percent. Self-employment is predominant type of employment, gathering over half of the employed population, or 52.1 percent: more than 60 percent of respondent are classified as self-employed in rural areas.
- According to the data, there is a clear negative relationship between poverty and wage employment, and this holds across zone of residence, gender and age-group belonging. Education does not seem to have a discernible effect on the type of employment, except at higher levels (tertiary education).⁸¹

A number of issues emerge in this section, which are worth discussing further. First, it is interesting to notice that the tertiary sector of the economy absorbs the majority of the labour force in Mauritania. Given the tendency of the EPCV to capture the enumerated sectors (and the upper tier of the ‘informal’ sector), it is plausible to assume that in Mauritania this proportion may be still higher. This phenomenon calls for an detailed study of the urban and peri-urban labour markets with particular emphasis on capturing participation in the un-enumerated sector, on which little is known as there is simply no information available. This seems particularly relevant as around 40 percent of the population in Mauritania is urban-based.

Second, as argued in Chapter 4, according to the official statistics the Mauritanian economy seems to have experienced a ‘jobless’ growth in the recent past. Most of the population recorded as ‘employed’ does not receive a *regular* wage or salary, only around 30 percent do so. When examining the results for rural areas (see again Figure 6.8), these considerations apply even more forcefully. Here, around 80 percent of all respondents (poor and non-poor) do not receive a (regular) wage or salary. By all accounts, and again in line with the results of other LSMS conducted in Africa, the proportion of employed

⁸¹ Bigsten and Horton (1997) maintain that a many studies in Africa point to non-linear returns to education. Returns tend to be low for primary education – possibly because the quality of primary education is low – but much higher for university education. The data examined here fit these patterns.

people who are engaged in some sort of wage employment is strikingly low in large surveys such as the EPCV. Why? As discussed in detail in Chapter 5, the aggregate nature of inquiry means that these surveys are unable to provide rich information on specific occupational categories, notably within the 'lower tier' of the informal urban sector and generally in rural areas. In particular, these surveys tend to exclude casual and seasonal workers, who did not work in the week preceding the survey but were engaged in some form of employment during the previous 12 months. Sender et al. (2005) point out that even those surveys (e.g. India, Mozambique, and indeed Mauritania) that include a longer reference period to cover the whole agricultural season often fail to capture the heterogeneity of employment in rural areas, if not accompanied by open-ended questions where respondents are free to provide more detailed information than those collected through 'closed' questionnaires. In particular, it is argued that in these surveys the proportion of people categorized as wage workers (e.g., agricultural workers, domestic servants, cleaners, porters, informal market wage workers such as workers on food stalls, petty salesman employed by traders, and so on) is tiny, despite the fact that they are numerous in both urban and rural Africa, as documented in Chapter 2 above. According to Sender et al (2005:75):

"[...] LSMS sampling techniques and their questionnaires do not take full account of the degree of heterogeneity within rural areas. [...]. In African contexts, the distribution of all rural resources and opportunities, including access to different types of employment, is extremely uneven. [...]. Thus, important 'pockets' of various forms of wage employment, which are by no means distributed uniformly throughout the country, may be easily missed in random surveys."

A third element of interest is the existence of a strong positive relationship between wage employment and wealth. Obviously, to the extent that the EPCV captures the enumerated sector of the labour market, this finding is not surprising. Yet, as discussed in Chapter 2 above, there is a host of evidence from micro-surveys showing substantial numbers of poor Africans, in both rural and urban areas, who depend on wage employment – however meagre and inadequate the pay is, and however bad the working conditions are

– for their survival. The U-shaped pattern which describes the relationship between socio-economic status and wage employment – detected in most of the empirical evidence surveyed in Chapter 2 and again in Chapter 7 when examining village labour markets – does not seem to apply to Mauritania according to the EPCV data. Unless, of course, the poorest segments of the population that hire themselves out on irregular, casual employment, are statistically ‘invisible’.

6.4 LABOUR MARKET ANALYSIS: SPECIAL ISSUES

6.4.1 Gender Disparities in Labour Markets

Gender gaps in the Mauritanian labour market are substantial. Women display lower participation rates than men: only 28 percent of working-age women are in the labour force compared to 73.4 percent of men. Female employment rate is weak (21.8 percent against 65 percent for males). Also, unemployment rates for women are significantly higher than that of men (respectively, 22.3 percent and 11.4 percent) (see again Table 6.1). Differences in levels of education between men and women can only partially explain gender gaps. Women’s overall educational attainments are lower than that of men (Table 6.7), but not dramatically so. For instance, 61.2 percent of the female working-age population has received no education compared to 45.8 percent for men. Similarly, only 15.8 percent of women aged 15 to 64 have been to secondary school against 25.1 percent for men of the same age. What is more, according to Magnoli-Bocchi et al. (2008), Mauritania is well placed to achieve the MDG concerning gender parity in enrolment rates at the primary (almost achieved) and secondary levels.

Table 6.7 Education Level by Gender, EPCV

	<i>None</i>	<i>Primary</i>	<i>Secondary</i>	<i>Higher</i>	<i>Total</i>
<i>Male</i>	45.8	24.2	25.1	5	100
<i>Female</i>	61.2	21.8	15.8	1.1	100

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage. Totals do not always exactly amount to 100 due to rounding. Working-age individuals only.

However, for the same levels of education, labour market indicators for women are systematically worse than those of men (Table 6.8). Hence, females with no education or primary schooling are around two and a half times less likely to participate in the labour force than men and three times less likely to be employed than them. These differences are slightly less marked for women with secondary and higher education, but remain high. Furthermore, female unemployment is roughly double that of men, regardless of the level of education.

Table 6.8 Main Labour Market Indicators by Gender and Education, EPCV

	<i>Labour force participation</i>		<i>Employment-to-population ratio</i>		<i>Unemployment rate</i>	
	<i>Male</i>	<i>Female</i>	<i>Male</i>	<i>Female</i>	<i>Male</i>	<i>Female</i>
<i>None</i>	85.5	32.2	76.7	26.4	10.3	18.1
<i>Primary</i>	62.8	22.3	53.4	14.3	15	35.8
<i>Secondary</i>	56.9	25.1	47	16.5	17.3	34.3
<i>Higher</i>	75.9	48.6	69.5	40.8	8.4	16

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

Overall, women seem to fare better in urban than in rural areas. Female non-participation rates for instance are higher in rural areas than they are in urban centres (respectively 73.5 percent and 69.8 percent, see again Table 6.5 above). The opposite is observed for employment-to-population: the female urban employment rate stands at 23.9 percent whereas the rural one stands at 20.3 percent (see again Table 6.5 above). Unemployment is also lower for women living in urban areas (20.8 percent compared to 23.3 percent for rural areas, see again Table 6.5 above). Hence, the EPCV data show different results of labour market outcomes by gender when the zone of residence is taken into account, calling for a further examination of this phenomenon. The next two subsections focus on a more disaggregated picture of gender disparities, looking at rural and then urban areas in particular.

Gender Gaps in Rural Labour Markets

Labour market indicators are worse for females in rural areas than they are for the overall population. Labour force participation for women in rural areas stands at

26.5 percent compared to 28 percent for all working-age women in Mauritania. The rural employment-to-population ratio is also slightly lower in rural than urban areas (20.3 percent against 21.8 percent, respectively). The reverse holds for males: males' rural labour force participation and employment rates are approximately three percentage points higher in rural areas than those exhibited by all men in Mauritania (Table 6.9).

Table 6.9 Main Labour Market Indicators in Rural Areas, by Gender, EPCV

	<i>All</i>	<i>Gender</i>	
		<i>Male</i>	<i>Female</i>
Labour force participation (standard)	49.8	76.9	26.5
Employment-to-population ratio	42.7	68.8	20.3
Unemployment rate (standard)	14.2	10.5	23.3
Labour force participation (relaxed)	55.6	81.9	33
Unemployment rate (relaxed)	23.1	15.9	38.4

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

According to the EPCV data, prime-age women in rural areas mainly opt out of the labour market for 'family reasons'. As shown in Table 6.10 below, rural females across all age groups (but notably those in the 25-49 age bracket) report family or household obligations as the chief motive for their non-participation in the labour force. Interesting, almost no respondent mentioned seasonality as a reason for being out of the labour force, indicating that seasonality does not play a significant role in rural Mauritania in terms of labour market participation, at least according to the EPCV data. By contrast, being a student is a reason given mostly by respondents in the 15-24 age bracket.

Table 6.10 Out of the Labour Force: Motives for Women in Rural Areas, EPCV

	<i>Age group</i>		
	<i>15-24</i>	<i>25-49</i>	<i>50-64</i>
<i>No work</i>	16.4	8.1	1.7
<i>Slack season</i>	0.5	0.3	0
<i>Student</i>	21.8	0.6	0
<i>Family/household obligations</i>	52.8	85.7	60.5
<i>Too young/old</i>	6.3	3.4	35.7
<i>Disabled</i>	1.7	1.2	2.1
<i>Other</i>	0.5	0.7	0
<i>Total</i>	100	100	100

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

Table 6.11 shows that women aged 25 to 49 reduce their participation in the labour market when living in a household with children. It should be noted, however, that the participation rate for females without children remains strikingly lower than that of males, which stands at 92.1 percent for those aged 25-to-49. Hence, gender gaps in participation amongst the 25-to-49 working-age groups cannot solely be attributed to restrictions because of childcare. The presence of children in the household, by contrast, is positively correlated with younger and older women's participation in the labour market. Family reasons are reported as the chief motive for non-participation amongst both females aged 15-to-24 and aged 50-to-64, even if the proportion is smaller than that observed for the 25-to-49 age group (see again Table 6.10). However, contrary to prime-age women, older women seem to increase participation when living with children (Table 6.11). In rural areas, this is probably explained by the fact that their labour is needed on the farm to 'compensate' for labour losses due to women of childbearing age. Young women's participation in the labour market appears to be affected by the presence of children to a lesser extent though. Other motives, such as schooling, might play a part in their non-participation decision. Indeed, as shown in Table 6.11, 21.8 percent of out-of-the labour women aged 15 to 24 are in school.

Table 6.11 Rural Labour Force Participation by Gender and Family Status, EPCV

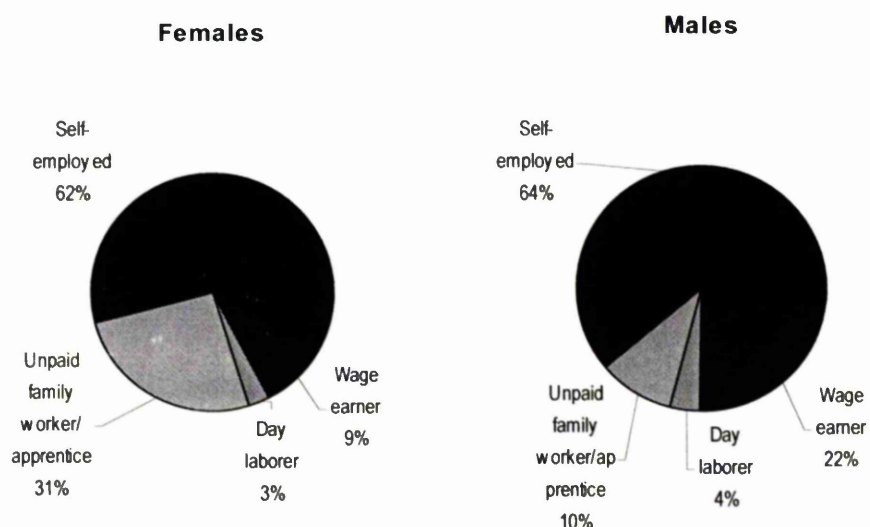
	<i>Male</i>	<i>Female</i>		
		<i>All</i>	<i>With children</i>	<i>Without children</i>
<i>Age group</i>				
<i>15-24</i>	52.5	24.6	25	23.3
<i>25-49</i>	92.1	28.5	27.7	31.6
<i>50-64</i>	85.8	24.1	28.2	20

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

Figure 6.11 shows that the great majority of men and women in rural areas are self-employed. A third of rural women are classified as unpaid family workers/apprentices, while a small minority receives a regular wage. Amongst men, the magnitudes of these activities are reversed: more men engage in wage labour, and only 10 percent of them are classified as unpaid family workers, or apprentices. Nearly two-thirds of employed women

in rural areas are self-employed, a similar proportion to that of men. Day labourers are only 3 percent and 4 percent of rural women and men respectively.

Figure 6.11 Types of Employment in Rural Areas by Gender, EPCV



Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

Tables 6.12 and 6.13 show the breakdown of women's and men's activities by type of employment in rural areas. The following considerations emerge by examining the data:

- The overwhelming majority of women self-employed and unpaid family labour are engaged in agricultural activities, 64.9 and 86.3 percent respectively. But trade is also important amongst the self-employed group (19.2 percent). Female wage earners are employed in the services sector (28.9 percent), by the administration (25.4 percent), and in trade (10.8 percent). Only around 5 percent of women are classified as agricultural wage labourers, although 17.2 of women day labourers are also engaged in this type of work, a significantly higher proportion than males (but not that daily labourers are only 3 percent of the total).

Table 6.12 Sector of Employment: Females in Rural Areas, EPCV

	<i>Wage earners</i>	<i>Day labourers</i>	<i>Unpaid family labour/ apprentices</i>	<i>Self-employed</i>
<i>Agriculture</i>	5.1	<u>17.2</u>	<u>86.3</u>	<u>64.9</u>
<i>Livestock</i>	0	0	2.1	0.6
<i>Fishing</i>	0	0.6	0	0
<i>Mining</i>	0.1	0	0.3	0.1
<i>Industry</i>	0	1.8	1	5
<i>Construction</i>	1.2	0	0	0
<i>Transport</i>	0.8	0	0	1.2
<i>Trade</i>	10.8	34	1.7	<u>19.2</u>
<i>Services</i>	<u>28.9</u>	<u>33.2</u>	2.4	4.1
<i>Administration</i>	25.4	0	0.7	0.1
<i>Other</i>	27.7	13.1	5.5	4.7
<i>Total</i>	100	100	100	100

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

- Self-employed males are more evenly spread across agriculture, livestock breeding, and trade (respectively 47 percent, 13.7 percent, and 24.2 percent). Around three-quarters unpaid family labour is engaged in agricultural activities, while the remaining part is absorbed by livestock breeding. Male wage earners are more likely to be involved in trade (26.8 percent), livestock breeding (16.8 percent), administrative activities (14.4 percent) and services (11.6 percent). Day labourers are mainly engaged in construction, services and agriculture.

Table 6.13 Sector of Employment: Males in Rural Areas, EPCV

	<i>Wage earners</i>	<i>Day labourers</i>	<i>Unpaid family labour/ apprentices</i>	<i>Self-employed</i>
<i>Agriculture</i>	4.2	8.5	<u>71.1</u>	<u>47</u>
<i>Livestock</i>	<u>16.8</u>	3	21.4	13.7
<i>Fishing</i>	3.7	2.2	0.7	1.1
<i>Mining</i>	0.6	0	0.1	0.1
<i>Industry</i>	0.8	2.6	0.2	0.9
<i>Construction</i>	3.7	<u>28.6</u>	0	2.1
<i>Transport</i>	5.4	3.3	2.3	1.7
<i>Trade</i>	<u>26.8</u>	9.6	2	24.2
<i>Services</i>	11.6	12.5	0.5	3.2
<i>Administration</i>	14.4	0.3	0	0.2
<i>Other</i>	11.3	29.3	1.6	5.6
<i>Total</i>	100	100	100	100

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

Gender Gaps in Urban Labour Markets

Labour market indicators for women in urban centres are somewhat better than those concerning rural areas. Both participation in the labour force (30.1 percent compared to 26.5 percent) and employment (23.9 percent compared to 20.3 percent) are higher in urban areas. Besides, unemployment for women is lower in urban centres than in rural areas (respectively, 20.8 percent and 23.3 percent). This is at odds with males' unemployment, which is higher in urban than in rural areas (Table 6.14).

Table 6.14 Main Labour Market Indicators in Urban Areas, EPCV

	<i>All</i>	<i>Gender</i>	
		<i>Male</i>	<i>Female</i>
Labour force participation (standard)	48.6	68.8	30.1
Employment-to-population ratio	41.2	60	23.9
Unemployment rate (standard)	15.3	12.7	20.8
Labour force participation (relaxed)	57.2	76.9	39.2
Unemployment rate (relaxed)	28.1	21.9	39.2

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

Urban women report family obligations as the main motive for non-participation (Table 6.15), notably so in the 25-to-49 age group. Being a student is the most common reason for non-participating in the labour market activities or young females (44 percent). The lack of work also prevents around 20 percent of young female from being active in the labour market. Other reasons cited are less important, besides 'old age' cited by nearly 60 percent of women in the 50-to-64 age bracket.

Table 6.15 Out of the Labour Force: Motives for Women in Urban Areas, EPCV

	<i>Age group</i>		
	<i>15-24</i>	<i>25-49</i>	<i>50-64</i>
<i>No work</i>	20.9	11.6	1.7
<i>Slack season</i>	0.1	0.9	0.1
<i>Student</i>	44	2.6	0
<i>Family/household obligations</i>	28.9	80.8	59.2
<i>Too young/old</i>	5.1	2.3	37.1
<i>Disabled</i>	0.5	1.6	1.8
<i>Other</i>	0.4	0.2	0
<i>Total</i>	100	100	100

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

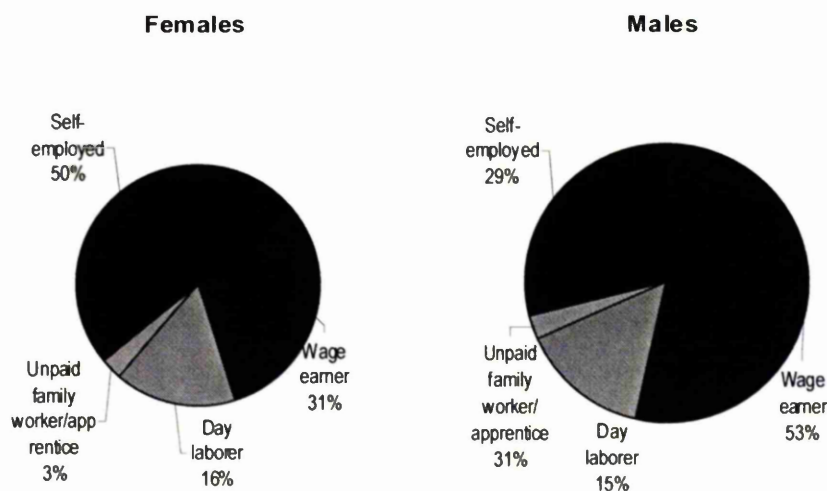
Prime-age women with children living in urban areas display lower participation rates than those who have no children (Table 6.16). Some 41.4 percent of women living in households with no children participate in the labour force, against 37.3 percent of those with children. Although, overall, participation rates are higher than those observed in rural areas, the gap imputable to childcare appears to be slightly wider in urban centres. Once again, the difference in participation between men and women in urban areas cannot be attributed to childcare only: 89.9 percent of males aged 25 to 49 are in the labour force compared to 41.4 percent for women of the same age without children. Females aged 50 to 64 are more likely to work when living in a household with children than not (respectively 37.5 percent and 27.4 percent), probably to 'compensate' for the income loss generated by prime-age women's decision to 'opt out' of the labour force when they have children.

Table 6.16 Urban Labour Force Participation by Gender and Family Status*. EPCV

<i>Age group</i>	<i>Male</i>	<i>Female</i>		
		<i>All</i>	<i>With children</i>	<i>Without children</i>
<i>15-24</i>	35.8	17.8	17	19.5
<i>25-49</i>	89.9	38.4	37.3	41.4
<i>50-64</i>	84.6	32.4	37.5	27.4

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage. * Whether or not children under 10 live in the household.

As illustrated in Figure 6.12, some 50 percent of women working in urban centres are categorised as self-employed, against 29 percent of males. Wage employment, once more, is more prominent amongst males (53 percent) than females (only 31 percent), although more women are employed against remuneration in urban areas than in rural areas. In addition, the gender gap in wage employment is less pronounced here than in rural areas (see again Figure 6.12). Around 3 percent of urban women and men are categorised as unpaid family labour or apprentices. Concerning women in particular, this is a markedly lower proportion than that found in rural areas, 31 percent (see again Figure 6.12).

Figure 6.12 Types of Employment in Urban Areas by Gender, EPCV

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

Tables 6.17 and 6.18 show the breakdown of women's and men's activities by type of employment in urban areas. The following elements emerge:

- The main sectors in which urban women are employed for a wage are the administration, services, trade and industry.⁸² Important differences emerge across employment statuses. Urban self-employed women are overwhelmingly engaged in trade, some 76.2 percent, and services. Trade also absorbs more than half of women classified as day labourers (55.6 percent), once again followed by services. Interestingly, around 22 percent of unpaid female in urban areas are employed in the agricultural sector, a phenomenon which calls for further investigation, and may have to do with the definition of the rural/urban cut-off points in the both the EPCV and Census (GIRM 2000).

⁸² Female wage employment is quite widespread in the northern town of Zuerate, where SNIM operates, and in fish processing plants of Nouadhibou, the economic capital of Mauritania.

Table 6.18 Sector of Employment: Females in Urban Areas, EPCV

	<i>Wage earners</i>	<i>Day labourers</i>	<i>Unpaid family labour</i>	<i>Self-employed</i>
<i>Agriculture</i>	0.5	0	<u>22.2</u>	1.9
<i>Livestock</i>	1.4	0	0	0.1
<i>Fishing</i>	2.2	1	0.4	1
<i>Mining</i>	1	0.5	0	0
<i>Industry</i>	3.4	2.1	0	5.4
<i>Construction</i>	0.9	0.4	0	0
<i>Transport</i>	1.5	0.8	1.7	1
<i>Trade</i>	6.5	<u>55.6</u>	12.4	<u>76.2</u>
<i>Services</i>	31.2	26.2	15.7	5.9
<i>Administration</i>	<u>36.7</u>	0.7	6.7	0.2
<i>Other</i>	14.6	12.6	41	8.2
<i>Total</i>	100	100	100	100

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

- Male wage earners are mainly employed by the administration (29.2 percent) or engaged in trade (13 percent), but they are also more evenly represented than women in other sectors. Urban self-employed men are mainly engaged in trade and services (42.2 percent and 12.8 percent) and the same applies to day labourers, which are also involved quite heavily in construction (18.3 percent). As for unpaid labour, interestingly around a quarter of urban males categorised as such engage in agriculture work. Hence, as in the case of women, the agricultural sector seems to offer some employment (albeit allegedly unpaid). In the absence of 'open' question it is difficult to get more detailed information on this finding.

Table 6.19 Sector of Employment: Males in Urban Areas, EPCV

	<i>Wage earners</i>	<i>Day labourers</i>	<i>Unpaid family labour</i>	<i>Self-employed</i>
<i>Agriculture</i>	1	1.3	<u>25.6</u>	5.7
<i>Livestock</i>	0.7	0.2	1.4	1.6
<i>Fishing</i>	4.8	9.3	2.2	6.2
<i>Mining</i>	6.4	0.1	0	0
<i>Industry</i>	2	1.5	4.9	5
<i>Construction</i>	5.1	<u>18.3</u>	3.1	6.5
<i>Transport</i>	9.6	6.1	7.9	5.4
<i>Trade</i>	13	16.3	14.5	<u>42.2</u>
<i>Services</i>	14.8	<u>20.1</u>	15.6	12.8
<i>Administration</i>	<u>29.2</u>	0.7	0.3	0.6
<i>Other</i>	13.4	26.1	24.5	14
<i>Total</i>	100	100	100	100

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in percentage.

6.4.2 Monthly Earnings Determination⁸³

Over half of the working population is categorised as *self-employed* in Mauritania. Table 6.19 shows that earnings from self-employment vary across living areas. Mean earnings of the self-employed are slightly higher in urban centres than in rural regions (39,100 MRO) compared to (33,300 MRO). Median monthly earnings of all the self-employed, however, stand at 20,000 MRO, very similar to those observed in rural areas.

Table 6.19 Self-Employed: Monthly Earnings by Living Area and Gender, EPCV

	<i>All</i>		<i>Rural</i>		<i>Urban</i>		<i>Male</i>		<i>Female</i>	
	<i>Mean</i>	<i>Median</i>	<i>Mean</i>	<i>Median</i>	<i>Mean</i>	<i>Median</i>	<i>Mean</i>	<i>Median</i>	<i>Mean</i>	<i>Median</i>
<i>Monthly Earnings</i>	34.7	20	33.3	20	39.1	21	42.3	21	15.9	10

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in MRO 000.

Gender gaps emerge when examining the earnings of the self-employed: male earnings are approximately 2.5 times higher than those of females (as shown in Table 6.20). At same levels of education, women's earnings in self-employment are still lower than men's. Females with no education earn approximately half of what males with no education earn. Women with primary schooling fare even worse when compared to men, as their average earnings only amount to 40 percent of men's with primary education.

Table 6.20 Self-Employed: Monthly Earnings by Gender and Education, EPCV

	<i>All</i>		<i>Male</i>		<i>Female</i>	
	<i>Mean</i>	<i>Median</i>	<i>Mean</i>	<i>Median</i>	<i>Mean</i>	<i>Median</i>
<i>All</i>	34.7	20	42.3	21	15.9	10
	(4,403)*		(3,141)*		(1,262)*	
<i>None</i>	22.9	17	27.5	20	15	10
	(2,331)		(1,474)		(857)	
<i>Primary</i>	31.1	20	36.4	20	14.6	10
	(526)		(391)		(135)	
<i>Secondary</i>	53.2	30	56.3	35	35.1	20
	(314)		(263)		(51)	
<i>Higher</i>	114.1	50	116.4	50	4.9	7
	(45)		(43)		(2)	

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in MRO 000. Numbers in parenthesis correspond to un-weighted numbers of observations.

⁸³ Monthly earnings are not adjusted to take into consideration regional differences in standards of living.

According to the EPCV data, 30 percent of the employed population receive a *regular wage* in Mauritania. Mean wages in the public sector are lower than those observed in the private sector (Table 6.21). In the public sector, average wages amount to MRO 34,400 compared to MRO 39,200 in the private sector (the medians are, respectively, MRO 28,000 and 30,000). Men earn more in the private than in the public sector, but in both sectors, median wages stand at around MRO 30,000. Despite the relatively higher wages offered in the private sector, female wage workers are predominantly employed in the public sector. Average urban wages are approximately 30 percent higher than rural ones. Wages in the public sector are also greater in urban centres than in rural regions. The same is true for the private sector. However, wage earners employed by an individual or a household (e.g. maids) are offered similar wages regardless of whether they live in urban or rural areas.

Table 6.21 Wage Earners: Monthly Earnings, by Living Area, Gender, and Type of Employer, EPCV

	<i>All</i>		<i>Rural</i>		<i>Urban</i>		<i>Male</i>		<i>Female</i>	
	<i>Mean</i>	<i>Median</i>	<i>Mean</i>	<i>Median</i>	<i>Mean</i>	<i>Median</i>	<i>Mean</i>	<i>Median</i>	<i>Mean</i>	<i>Median</i>
<i>All</i>	30	23	25.3	20	32.7	25	32.2	25	19.5	15
	(3,531)*		(1,141)*		(2,390)*		(2,904)*		(627)*	
<i>Public</i>	34.4	28	30.5	25	35.4	30	36.4	30	26.2	23
	(1,567)		(302)		(1,265)		(1,265)		(302)	
<i>Private</i>	39.2	30	35.5	26	40.8	30	40.7	30	25.1	30
	(556)		(130)		(426)		(505)		(51)	
<i>Individual/ Household</i>	20.1	15	20.4	15	19.8	15	22.4	20	10.1	8
	(1,137)		(581)		(556)		(901)		(236)	
<i>Other</i>	30.8	20	25.5	20	36.4	20	33	20	16.1	10
	(243)		(114)		(129)		(212)		(31)	

Source: Rajadel, Pontara and Sanchez-Puerta (2009). Figures are displayed in MRO 000. Numbers in parenthesis correspond to un-weighted numbers of observations. * The number of observations is greater than the sum of observations over all employer types. This is due to missing data on employers.

Results obtained in the wage regression in Table 6.22 confirm the existence of a gender gap: once other factors – such as differences in education levels between men and women or the fact that they might work in different sectors – are controlled for, men earn more than 40 percent more than women. Wages increase significantly with education. From a regional standpoint, living in Nouakchott has a significant and positive impact on wages. The fact that wage workers from the private sector earn more than those working in other

Regression of the log of wages on individual characteristics						
	Male			Female		
	Coefficient	Significance	Standard Error	Coefficient	Significance	Standard Error
Education						
None (omitted)						
Primary	0.052	Ns	0.036	0.143	*	0.085
Secondary	0.244	***	0.034	0.171	**	0.089
Higher	0.615	***	0.045	0.508	***	0.116
Age						
15 to 24 (omitted)						
25 to 49	0.287	***	0.035	0.132	***	0.067
50 to 64	0.414	***	0.045	0.042	ns	0.111
Region						
Nouakchott	0.154	***	0.039	0.348	***	0.076
Dakhlet Nouadhibou	0.029	Ns	0.069	0.194	ns	0.147
Senegal River Valley	0.027	Ns	0.033	0.105	ns	0.073
Other (omitted)						
Rural	0.053	Ns	0.035	-0.098	ns	0.073
Sector						
Agriculture (omitted)						
Livestock	-0.258	***	0.092	-0.515	*	0.301
Fishing	0.370	***	0.100	0.242	ns	0.275
Mining	0.439	***	0.105	0.125	ns	0.341
Industry	0.211	*	0.130	0.625	*	0.361
Construction	0.145	Ns	0.099	0.536	*	0.300
Transport & Communication	0.023	Ns	0.092	0.333	ns	0.301
Trade	0.187	**	0.086	0.232	ns	0.213
Services	-0.018	Ns	0.088	-0.206	ns	0.208
Administration	-0.007	Ns	0.091	-0.281	ns	0.216
Other	0.044	Ns	0.088	-0.127	ns	0.210
Type of employer						
Public (omitted)						
Private	0.233	***	0.043	-0.089	ns	0.117
Individual household	-0.072	Ns	0.046	-0.685	***	0.111
Other	0.046	Ns	0.062	-0.609	***	0.172
Informal	-0.174	***	0.037	0.081	**	0.081
Constant	2.747	***	0.102	0.241	***	0.241
	Observations		2,274	Observations		564
	R-Squared		0.306	R-Squared		0.504

Source: Rajadel, Pontara and Sanchez-Puerta (2009). OLS regression. ns: not significant, ***: significant at the 1 percent level, **: significant at the 5 percent level, *: significant at the 10 percent level.

6.4.3 Summary of Labour Market Special Issues: Critical Examination

The following elements emerge from this last part of the analysis of the Mauritanian labour market based on the results of the EPCV:

- Gender gaps are substantial, and not predominantly related to variables such as education, or child-care. At the same levels of education, labour market indicators for women are systematically worse than for men. Generally speaking, women are more actively involved in the urban labour markets (and notably so in wage labour activities) than in rural areas.
- In rural areas, nearly 90 percent of women are thought to be self-employed or unpaid family workers. Moreover, women categorised as such are overwhelmingly engaged in agriculture, 64.9 and 86.3 percent respectively. The 5 percent of women who receive a wage in rural areas are employed in agricultural wage labour, usually in large, commercial farms (more on this particular issue in Chapter 7).
- In urban areas, around 53 percent of women are in self-employment or work as unpaid family labour, but wage labour is more widespread (31 percent). Urban, self-employed women are mainly engaged in trade and services while wage-earning women are mainly represented in the administration and services. Interestingly, around 22 percent of females categorized as unpaid family labour (a tiny 3 percent) are recorded as agricultural wage labourers.
- Gender gaps are also markedly evident when examining the earnings of the self-employed and wage employed. Males' earnings are nearly twice as high as females'. At same levels of education, women's earnings in self- and wage-employment are still lower than men's. Results obtained in the wage regression confirm the existence of substantial gender gaps.

This latter part of the analysis of the Mauritanian labour market shows that there are substantial gender gaps in the Mauritanian labour market, in both urban and rural areas. Gender disparities concern all the main labour market indicators, which tend to be

systematically worse for women, and are also reflected in the substantial difference in mean earnings between males and female, irrespective of the type of employment, zone of residence or education level. Irrespective of the 'segments' of the Mauritanian labour market that the EPCV is able to capture (that is, mainly the enumerated sector, or the upper tier of the informal sector), these important and significant gender gaps deserve the full attention of the authorities. First and foremost, however, more disaggregated analyses need to be carried, attempting to capture in more detail the socio-economic levels of particular groups of women, and their relations to particular form of labour market involvement/activities/remuneration. As argued above, some of the strong relationships that emerge from the EPCV – such as the positive relationship between unemployment and poverty and negative relationship between wage labour and poverty – need to be critically examined. Such results are related to the broader failures of LSMS – such as the EPCV – to account for the heterogeneity of both urban and rural contexts and the variety of wage employment forms (casual, irregular, intermittent, badly paid) that are crucial for the survival of the poor, and women in particular.⁸⁴

From a gender standpoint, Sender (2003) maintains that in rural Africa, according to the finding of micro-surveys, the poorest 15-20 percent of rural households are characterized by the following features: the presence of scarcely educated or illiterate women, many of whom first became pregnant as teenagers, and have children who are likely to suffer from malnourishment; a high ratio of adult females to adult males, and little access on the part of the women to the income of an adult male (due to divorce, abandonment, widowhood); and material possession that are inferior to those of other rural households, measured in terms of a possession score that takes into account, *inter alia*, the number of rooms, quality of sanitation, access to electricity, and the presence of consumer goods such as radios, bicycles, watches and other basic assets (See Chapter 4 again). Where purposive samples have been constructed, evidence suggests that women in such households often perform agricultural wage labour, which brings in income necessary for their survival; and the proportion of income derived from self-employment (within or

⁸⁴ Crossing socio-economic status and labour market categories (e.g. type of employment) for rural and urban areas is difficult to do with the EPCV data due to the small number of observations. Moreover, doing so would not yield any greater insight into this relationship, given the questionnaire is not able to capture relevant heterogeneity.

outside the farm sector) is negligible. By contrast, it is in wealthier rural households that self-employment is a viable option for wife and daughters, who do not seek (or are allowed to seek by male relatives) back-breaking manual work for wages in their neighbours' fields.⁸⁵ According to Sender (2003: 413):

"The literature on 'diversified livelihood packages', as well as most of the available LSMS [...] often fails to identify the critical difference between various forms of off-farm income. But women who make a contribution to household income through the regular salary they earn as teachers, nurses or secretaries should obviously not be lumped in the same category as women who depend on seasonal wages as unskilled agricultural workers or on payment in kind as rural domestic servants. [...] The tiniest minority of women living in the wealthiest rural households, who can accumulate on the basis of retailing, do not provide evidence that wealthier rural women can depend on 'similar' enterprises to survive, or to lift themselves out of poverty in the future."

The main implication of these final considerations is that there is an urgent need to purposively to identify groups of the poorest rural people in a context of highly differential access to resources, and to design and apply survey tools that escape from the common shortcomings of income/expenditure-based standard surveys. These points will be further expanded in the concluding chapter of this thesis when the policy implications of the analysis conducted will be presented. The next chapter, in the meantime, examines in detail the results of the RLMS, focussing on village labour markets, and compare them to the extent possible to the results that emerge from the EPCV.

⁸⁵ It would be interesting to disaggregate further these categories, as they emerge from the EPCV. In particular, it was noted that in urban areas a significant amount of women categorized as 'unpaid family labour' are engaged in agriculture. And indeed, when examining self-employment and poverty status, roughly half surveyed population fall into either poor or non-poor, indicating a great level of diversity in this type of employment.

CHAPTER 7: VILLAGE LABOUR MARKTES THROUGH THE LENS OF 2004 RURAL LABOUR MARKET STUDY

7.1 INTRODUCTION

This chapter critically reviews the (village) labour market picture that emerges from the RLMS as presented in GIRM and World Bank (2007). The main results of the RLMS are discussed against those obtained from the EPCV. In addition, the findings of the chapters are used to critically examine some of the key messages put forward in this dissertation, concerning in particular the advantages of using a political economy framework for the analysis of rural 'change' with specific reference to the formation of the labour market (Chapters 1 and 3), the vitality of rural labour markets in Africa (Chapter 2), and the design of appropriate labour market surveys (Chapter 5). The evidence that emerges from the RLMS shows that labour markets are more dynamic than commonly assumed. The labour market indicators computed for the surveyed villages point to greater labour force participation and employment-to-population ratio than the corresponding indicators of the EPCV (for rural areas as a whole). Moreover, the RLMS shows the presence of labour market segmentation and social and economic barriers to entry for certain activities. The results also show substantial differences in the dynamism of local economies, and considerable variations in terms of the types of activity carried out, and patterns of seasonality and labour migration. Concerning the relationship between wage employment and socio-economic status, the data yield a U-shaped pattern rather than the positive correlation found in the EPCV.

Section 7.2 presents the key labour market indicators for the villages surveyed. Section 7.3 reviews patterns of labour hiring, diversification and seasonality. Section 7.4 discusses the agrarian structure of the villages surveyed. Section 7.5 looks at the wage labour market, *strictu sensu*, with particular emphasis on social barriers to entry to certain activities and levels of remuneration. Section 7.6 summarises the main results and highlights areas for further research.

7.2 CONCEPTUALISING AND MEASURING EMPLOYMENT AT THE VILLAGE LEVEL

Table 7.1 shows the main labour market indicators that are computed for the surveyed villages, on the basis of quantitative ('closed') questions. The labour-force participation and employment-to-population rates are higher in the surveyed villages than in rural areas as a whole, compared with the EPCV data. By contrast, the unemployment rate – at 15 percent – is not far from the standard unemployment rate for rural areas found in the EPCV, 14.2 percent (see again Table 6.5). As mentioned in Chapter 5, Mauritania is somewhat an outlier in the African landscape, in that its recorded (official) unemployment rates are quite high, including in rural areas. What stands out in Table 7.1, however, is the extreme variation in labour market indicators among the villages surveyed. In particular, the unemployment rate recorded in Keur Moúr (KM), at 41 percent, is implausibly high; and stands in sharp contrast with that recorded in both Edebay Ould Egueile (OE) and El Vieja (EV), which in both cases is negligible. The employment-to-population rate in KM is naif and one third of that recorded in EV and OE respectively. Therefore, it is plausible to assume that a misunderstanding concerning the notions of 'being employed' and/or 'unemployed' lead to biases that skew the results in KM.

Table 7.1 Main Labour Market Indicators, RLMS (Closed Questions) and EPCV (Rural)

RLMS ^a (in %)						
<i>Age</i>	<i>Status</i>	<i>Village</i>			<i>Total</i>	
		<i>El Vejha</i>	<i>Kéur Mour</i>	<i>Ould Egueile</i>	<i>% N</i>	
<i>More than 14 years old</i>	Labour force participation	51	43	83	55.6	487
	Employment-to-population rate	50	<u>26</u>	82	47.6	413
	Unemployment rate	3	<u>41</u>	0.6	15.2	74
	Non-participation	49	57	17	44.4	389
EPCV 2004 (in %)						
<i>More than 14 years old</i>	Labour force participation	49.8				
	Employment-to-population ratio	42.7				
	Unemployment rate	14.2				
	Non-participation	51.2				

Source: Author's comparison. Adapted from GIRM/World Bank (2007) and Rajadel et al. (2009). ^a On a total of 876 individuals of more than 14 years of age.

One way to clarify the reasons for such discrepancy in KM is to look at ways in which respondent interpret the notion of ‘remunerated’ activities, and the notion of ‘employment’, that is, activities that bring in monetary income and that can be classified as either self- or wage-employment (for others), still on the basis of closed questions. As illustrated in Table 7.2, overall, 25.3 percent of respondents declared to have been engaged in regular self- or wage-employment during the 12-month reference period, while 5.4 percent of respondents declared to have been engaged in wage-employment only. The results vary a great deal among villages. They also suggest that differing interpretations of the definitions of ‘remunerated activity’ affect the type of answer given in fundamental ways. For instance, in KM, around 25.9 percent of respondents declared that they had been engaged in *either* self- or wage-employment. Yet, roughly the same proportion of respondents, 26.5 percent declared that they *exclusively* hired themselves out for a wage. The conflicting results indicate that respondents did not clearly distinguish between self- and wage-employment when answering the question in KM, and gave inconsistent answers. Second, the results are clearly contradicting from a mathematical standpoint, as the magnitude of ‘only wage employed’ cannot be greater than the sum of ‘self- and wage-employed’ in KM.

Table 7.2 Remunerated Activities, RLMS (Closed Questions)

	<i>Self-employed and Wage Employed (in %)</i>				<i>Only Wage employed (in %)</i>			
	El Vejha	Kéur Mour	E. Ould Egueile	Total	El Vejha	Kéur Mour	E. Ould Egueile	Total
<i>Regular</i>	18.6	17.6	47.9	25.3	3.2	9	1.4	5.4
<i>Intermittent</i>	31.0	8.3	34.6	21.8	22	17.5	21.8	20.0
<i>R + I</i>	49.6	<u>25.9</u>	81.5	46.1	25.2	<u>26.5</u>	23.2	25.4
<i>Never</i>	51.4	74.1	17.5	52.9	74.8	73.5	76.8	74.7
Total	100	100	100	100	100	100	100	100

Source: Adapted from GIRM/World Bank (2007). Total sample = 880 individuals of more than 14 years of age.

Interesting results are obtained if the definition of remunerated activity is interpreted in a different manner – either as the activity ‘which contributes more’ (financial contribution) or as the activity that ‘takes up the longest time’ (time perspective) – though the introduction of qualitative (‘open’) questions. This technique means that respondents have the chance to describe in a detailed fashion the activities that either generate the highest

revenues or take up most of their time. Only at that point the answer is recorded. As illustrated in Table 7.3, when the financial contribution variable is considered, 65.6 percent of respondents now declare themselves *employed* (again, this refers to self- or wage-employment). Conversely, only around 34.4 of respondents declared that they did not participate in the labour market, i.e. categorised themselves either as (unpaid) family workers or jobless.⁸⁶ When comparing the results obtained under the financial contribution or time consuming perspectives, there is no significant difference. This means that, in general, the more time consuming activity is also usually the one that contributes more financially.

Table 7.3 Principal Activity, RLMS (Open Questions)

	<i>Contributes more (%)</i>				<i>Is the more time consuming (%)</i>			
	El Vejha	Kéur Mour	Ould Egueile	Total	El Vejha	Kéur r Mour	Ould Egueile	Total
Agriculture	8.8	29	55.2	29.4	9.1	25.7	55.1	27.9
Livestock	5.5	4	3.8	4.4	6.7	4.4	5.1	5.2
Fisheries	1.5	1	0	1	1.8	1	0	1.1
Commerce	9.6	5.4	11.8	8.5	7.4	4.2	9	6.5
Artisanal (crafts)	8.2	3.9	0	4.4	8	3.9	1.2	4.6
Construction	2.7	2.9	0	2.2	2.7	2.7	0	2.1
Other occupations	9.8	27.4	4.9	15.7	9.8	27.4	4.9	15.7
All occupations together	46.1	73.6	75.7	65.6	45.7	69.3	75.3	63.1
De facto inactive or occasional family helpers#	53.9	26.4	24.3	34.4	54.3	30.7	24.7	36.9

Source: Adapted from GIRM/World Bank (2007). Individuals of more than 14 years of age. # Some of these workers may help occasionally as family labour but are not considered really employed.

On the basis of the qualitative information obtained, labour market indicators can be estimated again and compared with those based exclusively on closed questions in the RLMS (Table 7.1) as well as those of the EPVC (Table 7.4). As noted, according to a more specific definition of remunerated activity obtained with the introduction of open questions, the proportion of the population considered active (as a proxy for 'effective employment') is now around 66 percent, up from 55.6 percent (i.e. the labour force

⁸⁶ Looking at the sectoral breakdown, agriculture is the most prominent activity, employing nearly 30 percent of respondents, followed by commerce and livestock. Agricultural activities are particularly important in OE (notably for self-consumption), KM (irrigated agriculture) and considerably less so in EV, where there seems to be less specialisation.

participation computed in Table 7.1 on the basis of the RLMS data) and 49.8 percent according to the EPCV. By the same token, the proportion of 'inactive' (jobless) people is now much lower, around 34 percent against 44 percent according to the RLMS quantitative questionnaire; and more than 60 percent if one adds the unemployment and non-participation rates found in the EPCV in Table 7.4. Clearly, the new, more accurate, interpretation of the notion of remunerated activity in KM drove the change in the patterns observed (GIRM and World Bank 2007). The adjusted data, therefore, show a marked difference about the level of labour market dynamism in the surveyed areas from that emerging from both the RLMS when closed questions are used, and the EPCV data relative to rural areas as a whole.⁸⁷

Table 7.4 Summary of Main Labour Market Indicators, RLMS (Open Questions)

RLMS ^a (in %)					
<i>Age</i>	<i>Status</i>	<i>Village</i>			
		<i>El Vejha</i>	<i>Kéur Mour</i>	<i>Ould Egueile</i>	Total %
<i>More than 14 years old</i>	Lab. force participation (‘Effective employment rate’)	46	74	76	65.6
	Non-active, jobless (‘Non- participation’)	54	26	24	35.4
EPCV 2004 (Rural areas, in %)					
<i>More than 14 years old</i>	Labour force participation				49.8
	Employment-to-population ratio				42.7
	Unemployment rate				14.2
	Non-participation				51.2

Source: Author's comparison. Adapted from GIRM/World Bank (2007) and Rajadel et al. (2009). ^a On a total of 876 individuals of more than 14 years of age.

In the surveyed areas, differences emerge on the interpretation of remunerated activities and the concept of being employed. In KM the latter means holding a permanent job (e.g. public administration, private sector) that provides a regular income. Some unemployed women in a focus group conducted in KM maintain that:

⁸⁷ NB. This comparison presents some methodological challenges, given that the RLMS utilises a mix of qualitative and quantitative techniques and is geographically focused on three locations in rural Mauritania. The deployment of open questions also prevents the measurement of underemployment in a direct fashion, as ‘inactivity’ and ‘unemployment’ are bunched up together. Nevertheless, it is argued here that the indicator of *de facto* employment in the surveyed villages is accurate – thanks to the introduction of open questions – and can be used to question the results that portray the Mauritanian rural labour market as essentially thin or non-existent, as in the EPCV.

"When asked if someone has found work, one thinks immediately of a job in the public administration, or in a private enterprise, where, at the end of each month, an individual gets paid...but there are also paid people working in transport, agriculture, fisheries, who can get paid at the end of one day, or a month..." (Author's use of GIRM/World Bank fieldwork notes).

Some jobs are also considered degrading in KM, as they are carried out exclusively by poor people, such as fruit gathering and charcoal making. Hence, it is possible that in KM the closed questionnaire is not able to pick up activities that are either not considered to provide a regular stream of income or that carry some stigmas. At the same time, in KM respondents tend to under-report self-employment in agriculture as a form of remunerated activity. This may due to the fact that the level of education is higher than in the other villages, and many people have participated at some point in the more 'structured', urban labour markets of Rosso, Nouakchott, and in Senegal. Therefore, 'own-account' farming appears a 'background' family activity and is not associated to the concept of employment.

In EV, by contrast, both Beydane and Haratins refer to employment as *any* activity of subsistence, which may or may not include a regular remuneration. Being a shepherd, cutting palm trees, engaging in commerce-related activities, are all occupations recognised as providing means for survival. Here, wage labour is considered degrading particularly for women, and, in general, manual labour is associated to the poorest segments of the population. Similarly, in OE, employment is not associated to any permanent, regularly remunerated activity, as this village is far away from urban areas and markets and the idea of a salaried job is distant and unknown. Here, *any* activity that allows a family to survive is associated to being employed, whether in agriculture, commerce or transport. Some activities – such as wage labour for women and charcoal making and selling for men – are considered degrading, even if (the latter in particular) have allowed some village dwellers to accumulate some wealth (GIRM and World Bank 2007).

7.3 PATTERNS OF LABOUR HIRING, DIVERSIFICATION AND SEASONALITY

7.3.1 *Patterns of Labour Hiring (Household Level)*

Table 7.5 below presents data on two types of labour hiring arrangement, that is: the hiring in and hiring out of labour on the basis of a *commercial* transaction associated with an explicit remuneration either in kind or in currency; and traditional labour hiring associated to *collective* or *community* activities (work parties), a practice called *Twize* in the surveyed areas and which, in principle, implies a degree of reciprocity. The results show a very dynamic and complex labour market, as well as substantial differences amongst villages. Overall, the hiring in and out of labour is common. In KM, the hiring in and out of labour is quite widespread in irrigated agriculture, while in OE and EV this practice is more widespread in rain-fed agriculture. One element that stands out in EV is the hiring out of labour to ‘other activities’ – which refers to the activities linked to the *Guetna* period⁸⁸ – experienced by 29.4 percent of all households.

OE displays the lowest level of hiring in and hiring out of non-family labour, an expected pattern given its isolation from major market networks and the extremely low productivity of its agricultural sector. The frequency of *Twize* is widespread, affecting 50 percent of all households across villages, both as participants and receivers: overall, only around 12.5 percent of households participated in *Twize* without benefiting from it. However, crossing the *Twize* with the socioeconomic status of households (based on a ‘possession score’) suggests that the richer households participate in, and benefit from, *Twize* arrangements more than poorer households (not shown). Some of these work parties are organised by the elites, so therefore participation is often compulsory for the weaker and less powerful (GIRM and World Bank Ibid. 2007). This is also a phenomenon detected by Kevane when examining village labour markets in the Sheikan district in Southern Sudan (Kevane 1994).

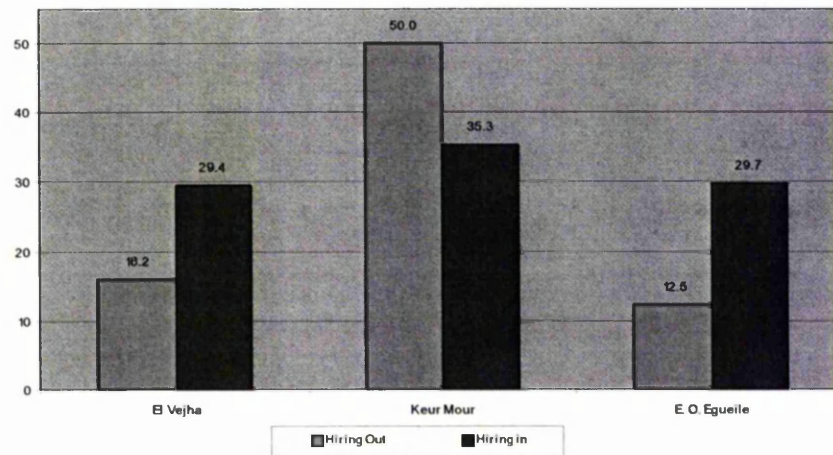
⁸⁸ The *Guetna* refers to the harvest of dates, which usually takes place between July and September.

Table 7.5 Hiring in and out of Labour and Work Parties (*Twize*), RLMS (Household Level)

<i>Activity</i>	<i>El Vejha</i>		<i>Kéur Mour</i>		<i>E. O. Egueile</i>		<i>Total</i>	
	<i>Out</i>	<i>In</i>	<i>out</i>	<i>In</i>	<i>out</i>	<i>in</i>	<i>Out</i>	<i>in</i>
In %								
Wage labour in irrigated agriculture	4.4	8.8	<u>45.6</u>	<u>35.3</u>	3.1	4.7	18.0	16.5
Wage labour in rain-fed agriculture	<u>11.8</u>	<u>27.9</u>	4.4	0.0	<u>12.5</u>	<u>29.7</u>	9.5	19.0
Wage labour in commerce	7.4	5.9	4.4	1.5	3.1	1.6	5.0	3.0
Wage labour in transport	5.9	2.9	8.8	1.5	1.6	0.0	5.5	1.5
Wage labour in other activities	<u>29.4</u>	2.4	4.4	0.0	0.0	0.0	11.5	1.8
Collective work parties	55.9	54.4	51.5	45.5	46.9	45.3	51.5	48.5

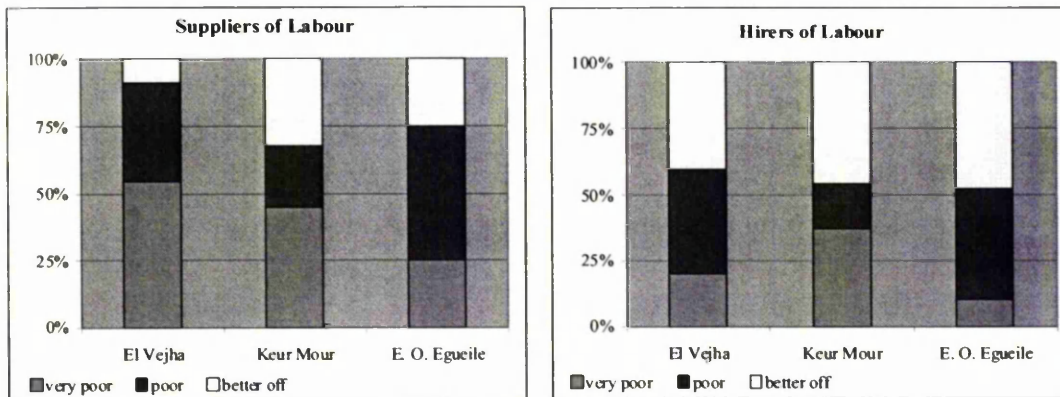
Source: Adapted from GIRM/World Bank (2007). Data are expressed in percentage.

Figure 7.1 below show the cumulative patterns of hiring in and out of labour in the surveyed villages in the agricultural sector as a whole (e.g. irrigated and rain-fed agriculture). Interestingly, in KM a similar proportion of households hire in and hire out labour (35 and 50 percent respectively). Moreover, around 60 percent of these same households hire in and hire out labour at the same time (not shown). In EV and OE, by contrast, households tend to hire in labour (roughly around 30 percent of households) while the hiring out of labour is less marked (16 and 12.5 percent of households respectively). These results can be explained by the fact that KM has a local economy that is more diversified than those of the other two villages, and also better connected to market networks (GIRM and World Bank Ibid. 2007). In particular, the nearby presence of the *Grandes Domaines de Mauritanie* (GDM) – a large commercial agri-business group that practices intensive, irrigated (plantation-style) agriculture – provides relatively regular wage labour opportunities to a sizeable group of young adults in the village. These people, in turn, use their purchasing power to hire in labour and get the extra help they need on their plots of land. This phenomenon is interesting and challenges the stereotype that in rural Africa there is a clear distinction between households who are net hirers or suppliers of labour. By contrast, patterns of ‘specialisation’ in the hiring in and out of labour, as noted, are more common in the other two villages, where the penetration of market forces is less marked than in KM and seasonality patters are more accentuated. In these less dynamic villages, the hiring-out of labour tends to involve very poor classes, who sometimes report these labour services as ‘assistance’ for employers (Oya and Pontara 2009).

Figure 7.1: Incidence of Wage Labour in Agriculture at the Household Level, RLMS (in %)

Source: Adapted from GIRM/World Bank (2007).

Figure 7.2 shows the socio-economic status of households that hire in and out labour for the agricultural sector as a whole. On aggregate, poorer households tend to supply more labour than they hire in, while the converse holds for richer households. However, this pattern is not straightforward. In KM, the incidence of richer households that hire out labour is higher than in the other villages. As observed before, this is plausible given that young members of relatively wealthy households in KM earn a living at GDM, and tend to receive a regular, monthly salary (or, at worst, some intermittent but still decent wage income). In EV and EO, a much smaller proportion of better-off households are likely to have members who hire themselves out as wage labourers. In these villages, there is a clearer relationship between being poor and a supplier of labour. By the same token, richer households tend to be net hirers of non-family labour (GIRM and World Bank 2007). These results are interesting, and tell a remarkably different story from the EPCVs'. In the latter, a strong positive correlation was found between socio-economic status and wage employment (see Tables 6.6 and Figures 6.6, 6.7, and 6.8). Here, by contrast, a U-shaped pattern is detected – whereby both richer and poorer village dwellers engage in wage employment – which is further corroborated by the findings concerning socio-economic status and occupation types at the individual level (see Section 7.3.3 below).

Figure 7.2 Status of Households that Hire in and Hire out Labour in Agriculture, RLMS

Source: Adapted from GIRM/World Bank (2007).

In this highly fluid and vulnerable social context it is unsurprising that small peasant farmers and even predominantly agricultural wage labourers sometimes hire in labour, which is often interpreted in terms of 'labour exchange' despite the fact that there is no explicit or implicit reciprocity. It is particularly interesting that a class of employers in rural labour markets emerges from the rank of salaried workers, suggesting significant vertical wage labour linkages. Access to non-agricultural jobs in towns for some household members may provide the cash to hire wage labour and ease the burden of agricultural work on other household members. In some cases, it may also facilitate an expanded reproduction of the farming household and financing further improvements in productivity (KM). These results are in line with the findings by Sender (2003) for SSA and Ghose and Sen (1993) for India, which were discussed in Chapter 2.

7.3.2 Patterns of Diversification (Individual Level) and Seasonality

Table 7.6 shows the sample size of active individuals surveyed. In the RLMS, an employment matrix allowed the compilation of an exhaustive list of activities per individual, without imposing the notion of 'principal occupation'. The results show a remarkable diversity between villages in terms of frequency of activities, patterns of diversification and specialisation, number of days worked, and seasonality (GIRM and World Bank 2007). The attempt of capturing diversification in such a way is commendable

on two counts: first of all, it allows the exhaustive recording of activities in contexts characterised by occupation multiplicity, under-employment and strong seasonality; second, collecting information on the total number of days effectively worked during the year yields a more accurate picture of labour market involvement than conventional labour market indicators.

Table 7.6 Sample of Active Workers, RLMS (Individual Level)

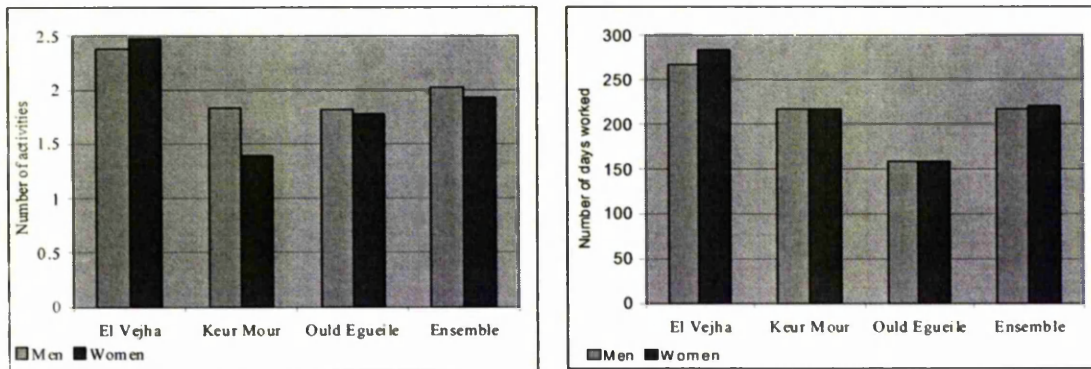
	El Vejha	Kéur Mour	O. Egueile	Total
Number of recorded activities	226	121	157	504
Number of individual (II phase sampling)	93	78	88	259
Number of active sampled individuals	93	74/1	88	255

Source: Adapted from GIRM/World Bank (2007). Four individual in KM are not active but information was sought on barriers to entry to wage labour.

The average economic activity rate is 1.8 for the sample as a whole. This means that, on average, each person engages in 1.8 activities during the year (Figure 7.3). The combination of three or more activities is marginal, and around just over one-third of active people report only one economic activity. The highest activity rate is found in EV (2.4), and the lowest in KM (1.6). On aggregate, men have higher activities rate than women, except in EV, where the converse holds. EV also displays the highest number of days worked in a year, 275 days, against 210 in KM and 150 in OE. These differences are linked to the number of activities declared, the degree of diversification, and the seasonality of employment. The existence of 'slack' periods is also corroborated by the responses but varies strongly between villages, suggesting important location-specific effects. The poorest village, OE, displays the longer slack period: both women and men report to work little more than 150 effective days per year there. In KM, people are more specialized in one activity, due to the fact that single activities generate enough income (i.e. wage labour at GDM). The greatest diversification occurs in EV, where the local economy is less dynamic and returns to economic activities tend to be very low: three quarters of the surveyed individuals have on average 3 activities and only 14 percent of respondents declare being engaged in a single activity. The significant diversification found in EV is probably due to the yearly occurrence of the *Guetna*: once this is over,

people seek other activities, usually outside of agriculture and beyond the village boundaries, notably in the nearby village of Nbeika (GIRM and World Bank 2007).⁸⁹

Figure 7.3 Number of Activities and Days Worked by Gender, RLMS (Individual Level)



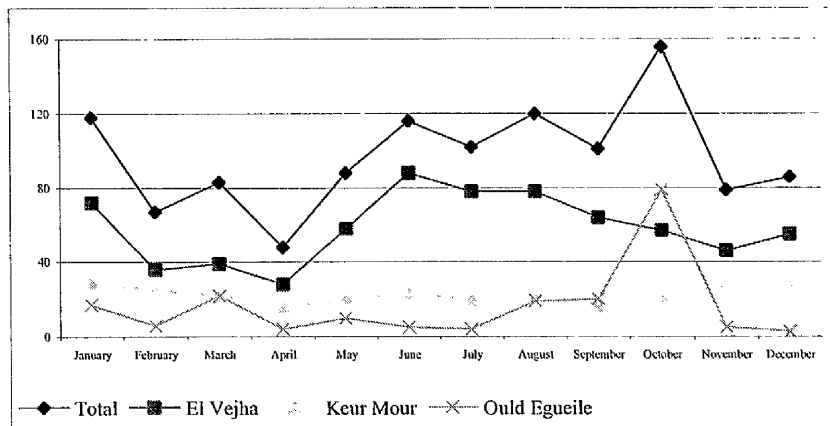
Source: Adapted from GIRM/World Bank (2007).

Figure 7.4 shows the aggregate frequency of responses for all activities as well as for individual villages. The results of the RMLS data suggest that seasonality is a key element to understand the dynamics of employment and the diversification of income sources. The seasonality of the activities reflects the inherent risk that characterizes certain occupations such as rain-fed agriculture, and well as a strategy against uncertainty and insecurity. Most of the activities recorded can be carried out only during particular parts of the year, so therefore individuals are obliged to engage in them during short spells of hard work, to compensate for the lack of opportunities during other periods. Overall, seasonality characterizes predominantly agricultural activities, and is more marked during the June-October period. Beyond this aggregate, however, lies a significant village variation. Seasonality is particularly marked in the poorest village, OE, where the agro-ecological and economic limits to diversification and activity in the dry season are much more binding than in KM and EV. This means that in OE most households, including the better off, are compelled to survive on the returns to fewer work days than in the other villages. Livelihood insecurity and vulnerability is much greater in this village. Hardship notably affects households that have to engage in manual agricultural wage labour for neighbours,

⁸⁹ Table L in Appendix 2 illustrates the composition of diversification portfolios by village. Diversification patterns can be identified at the village, household and individual levels (all these levels are obviously inter-linked).

which tends to fluctuate widely according to the season and the recurrent livelihood shocks on their employers and on themselves. In OE, most agricultural activities are concentrated in less than two months, between September and October.

Figure 7.4 Seasonality: Overall and by Village (All Activities), RLMS



Source: Adapted from GIRM and World Bank 2007

In KM, by contrast, there is more stability, with activity peaks during November to January. First of all, the proportion of irrigated land here is much higher than that in other villages. This factor allows many producers to have double cropping and sometimes almost continuous farming throughout the calendar year. Second, the presence of a large agribusiness in the vicinity, GDM, adds employment opportunities almost all year round, as GDM has no slack period. Third, some respondents suggest that migrants' remittances allow many households to fund activities during the less busy period of the year, particularly in the trade and transport sectors (investments in village infrastructure are also reported). The dynamism of KM underscores the importance of the availability of infrastructures and the proximity of market network for the livelihood of rural dwellers. At the same time, it highlights the need for investing in agri-business (including large, commercial agricultural enterprises) with a view to stimulating the demand for (wage) labour, thus providing earning opportunities for rural households (a key component of the survival strategies) and, ultimately, contributing to reduce risk. Seasonality in EV is quite marked, but mainly for agricultural activities, since the work in the *Guetna* period peaks towards January, a period which is much less busy for other agricultural activities. The

Guetna period in EV attracts a significant number of seasonal migrants, who greatly shape the demographics of the village for a short period of time (GIRM and World Bank Ibid. 2007).

7.3.3 Socio-economic Status and Occupation Type

As illustrated in Table 7.7, there is a (weak) positive relationship between self-employment and socio-economic status. By contrast, the relationship between wage employment and socio-economic status shows a U-shaped pattern, with wage employment occurring more frequently amongst the very poor and the non-poor and less so in the middle category (the poor). This relationship is not surprising, considering that in KM – where wage employment is on aggregate more widespread than in the other villages – some young adult hire themselves out at GDM and earn a decent wage. This phenomenon, however, co-exists with that of agricultural workers who belong to poorer households (although not always) and hire themselves out in order to survive. Indeed some of these wage labourers are hired by household whose members work at GDM.

Table 7.7 Type of Activity, RLMS (Individual Level)

		Classes in the composite qualitative index (IP2)			Total
		Very poor	Poor	Non-poor	
Self-employed	<i>N</i>	125	155	204	484
	% within employment	26	32	42	100
	% within class	61	70	65	66
Wage-employed	<i>N</i>	42	15	44	101
	% within employment	42	15	44	100
	% within class	21	7	14	14
Both	<i>N</i>	37	50	66	153
	% within employment	24	33	43	100
	% within class	18	23	21	21
Total	<i>N</i>	204	220	314	738
	% within employment	28	30	43	100
	% within class	100	100	100	100

Source: GIRM/World Bank (2007).

Table 7.8 shows the association between employment and socio-economic status according to qualitative information. On aggregate, what emerges is a fairly strong association between the provision of manual wage labour (e.g. agricultural employee, farm labourer, etc.) and poverty. The richer segments of the population, by contrast, tend to be farmers who employ labourers (KM), or involved in the non-agricultural sector (EV, KM), retail (KM) and livestock (OE). The information confirms the U-shaped pattern discussed above (GIRM and World Bank 2007). In KM, women participating in focus groups noted that:

“There are jobs that are considered as signs of poverty: weeding and grubbing are such jobs. These jobs are done by those who abandon their farms to work on other people’s farms [...] the latter are comfortable and have more land; and employ people on their farms.” (Author’s use of GIRM/World Bank fieldwork notes).

Table 7.8 Employment and Socio-economic Status, RLMS (Qualitative Tools)

	El Vejha	Kéur Mour	Ould Egueile
Poorer	Woman weaver	Farm labourer (weeding and grubbing)	Agricultural employee
	Agricultural worker in the oasis/palm sector	Shepherd, small trader, artisanal fisherman	Fruit gatherer
Richer	Non-agricultural employee (driver, public office)	Farmer who employs workmen	Big livestock farmer
		Retailer – salesman	Retailer – salesman
		Non-agricultural employee (driver, public office)	

Source: GIRM/World Bank 2007

7.4 HOUSEHOLDS, SOCIAL CLASSES AND POVERTY

This section locates the analysis of the rural labour market in Mauritania in the broader discourse on the agrarian transition and the formation of the rural labour market, discussed in Chapters 1 and 3, focussing on the *household* as a unit of analysis. It moves away from the findings of the RLMS (as presented in GIRM and World Bank 2007) and – still utilising the report’s (raw) data – looks at livelihood patterns at the household level, and the nature and dynamics of local labour markets by paying attention to agrarian

structures.⁹⁰ It was argued in earlier chapters that the investigation of employment relations can be further examined by establishing analytically relevant social categories that define social relations and production processes at the village level. An attempt is therefore made here to classify households into different classes in the surveyed villages. This classification is useful to establish an analytical distinction between households, rather than as a matter of aggregation. Moreover, as with all classifications, it artificially imposes 'breaks' where the reality is inevitably more subtly graded. One further drawback of classifying households is that this procedure can mask the differentiation between, and heterogeneity within, categories.

Households are classified on the basis of the following criteria: net hiring-in and hiring-out of labour at the household level; the incidence of hiring-out of manual labour, notably in agriculture; land ownership; the activity that generates the highest revenue in the household; and the extent of farming in the household. On the basis of such criteria, ten classes are obtained (Table 7.9). These classes are further aggregated into 'classes of capital' and 'classes of labour', with the latter broken down by 'mostly self-employed' and 'mostly wage-employed'. Overall, households belonging to the class of 'mostly self-employed' labour constitute around 44 percent of the whole sample, followed by those belonging to the class of 'mostly wage-employed' labour, 35 percent. Some 21 percent of households fall in the category of 'classes of capital'. Disaggregating the data yields interesting results. First, the proportion of landlord or *prosperous farmers* is small, around 3 percent of the whole sample. The most common categories are *small and middle peasant farmers*, which together account for nearly half of the 200 observations. Second, as expected, there are important differences amongst villages pointing to substantial diversity. In OE small peasants dominate the landscape, given that importance of agricultural activities in the local economy, although the presence of middle-peasant (hirers of labour) is also sizeable. In the other two villages, by contrast, the incidence of small peasant farmers is only around a fifth of the sample. In EV, there seems to be sharper differentiation amongst the rural population: 6 percent of households fall into the top of the 'classes of capital', while 25 percent of household fall into the category of farming

⁹⁰ Some of this work will be presented, albeit in a revised fashion, in Oya and Pontara (2009, forthcoming).

households that include non-agricultural wage workers (mainly involved in artisanal and trade activities). This latter phenomenon reflects the seasonal nature of agriculture, embodied in the *Guetna* period, and the search for work opportunities in the non-agricultural sector once this phase is over. The social landscape in KM is more diversified and displays a significant higher number of predominantly wage-labouring households – some of them landless – with respect to the other two villages (Table 7.9).

Table 7.9 Household Classes in the Surveyed Villages, RLMS

#	Class Type	Village (% within village)			Total %	N (total)
		El Vejha	Kéur Mour	Ould Egueile		
	<i>Classes of capital</i>				(21)	(42)
1	Landlord or prosperous farmer employer	6	3	0	3	6
2	Middle peasant farmer (mostly hiring-in)	9	15	14	13	25
3	Trader or employer in transport and craft industry	9	3	5	6	11
	<i>Classes of Labour</i>					
	<u>Mostly Self-employed</u>				(44)	(87)
4	Small peasant farmer (both hiring-in/out, or no hiring)	19	19	58	32	63
5	Trader or self-employed in transport, craft industry	12	7	17	12	24
	<u>Mostly Wage-employed</u>				(35)	(71)
6	Agricultural wage labour combined with some farming	6	13	2	7	14
7	Landless agricultural labourer	1	12	0	5	9
8	Wage employed (mainly non-ag. sector) and employer	6	7	0	5	9
9	Non-farming, non-agricultural wage worker	7	10	0	6	12
10	Farming, non-agricultural wage worker	25	10	5	14	27
	<i>Total</i>	100	100	100	100	200

Source: Adapted from Oya and Pontara (2009).

As shown in Table 7.10, the sub-categories within ‘classes of labour’ do not automatically map into well-defined groups in terms of poverty and wealth on the basis of a possession score. The class of mostly wage-employed comprises both well-off households (which are dependent on regular contribution from wage-employees, many of them migrants to urban areas or, in the case of KM, employed at GDM) and extremely poor households, whose members are engaged in casual agricultural labour for neighbours. On average, wage-employed people in the non-agricultural sector seem to be better off than the rest in the classes of ‘mostly wage employed’. Conversely, the class of ‘mostly self-employed’ include workers engaged in low-productivity and low-status self-employment, such as segments of poor and vulnerable group of female-dominated households, only partially involved in artisanal activities and often reliant on charity (food,

cash or clothes) for their survival (this is particularly the case in EV). According to qualitative evidence, many of these women are descendant of slaves, widows or deserted by men, and are denied any engagement as wage labourers allegedly because such activities are considered more demeaning than obtaining help from neighbours or distant relatives.

Table 7.10 Social Class and Poverty, RLMS

		All (% within class)	
Class Type		Poorest	Least poor
<i>Classes of capital</i>		7	64
1	Landlord or prosperous farmer employer	0	50
2	Middle peasant farmer (mostly hiring-in)	4	72
3	Trader or employer in transport and craft industry	18	55
<i>Classes of Labour</i>			
<i>Mostly Self-employed</i>		45	19
4	Small peasant farmer (both hiring-in/out, or no hiring)	51	16
5	Trader or self-employed in transport, craft industry	30	26
<i>Mostly Wage-employed</i>		36	33
6	Agricultural wage labour combined with some farming	57	29
7	Landless agricultural labourer	29	29
8	Wage employed (mainly non-ag. sector) and employer	11	56
9	Non-farming, non-agricultural wage worker	50	42
10	Farming, non-agricultural wage worker	30	26

Source: Adapted from Oya and Pontara (2009).

By the same token, although some of the households belonging to the 'classes of capital' are at the apex of the socioeconomic hierarchy in the surveyed villages, they are not all dynamic, capital-forming or accumulating entities. Households belonging to these groups, however, do tend to be employers and have superior access to means of production and capital. Table 7.11 shows that these classes broadly correspond to socioeconomic classes in terms of assets/wealth so that 'classes of capital' are richer than 'classes of labour' on average. The results suggest that in the areas surveyed a clear distinction between a class of 'peasants' and one of 'proletarians' may not exist as people may be wage labourers but also retain a foot in own farming. Moreover, they highlight the heterogeneity of household categories, underscoring the necessity of implementing survey tools able to capture such diversity and warning against the temptation of sweeping generalisations concerning supposedly homogenous 'small-holders'. Household classes are

also different in demographic terms (Table 7.12), mainly in terms of the household size and, most importantly, of the number of adults (a proxy for labour supply and constraints within the household). The poorer categories of landless agricultural labouring households or very poor non-agricultural self-employed (e.g. some female-dominated households, engaged in handicraft making and charity-dependent) have much less access to adult labour than better-off classes (Oya and Pontara).⁹¹

Table 7.11 Employment and Demographic Characteristics by Social Class

Class	Socio-economic status (% of average asset index)	Number of adults	Households hiring in labour (%)
<i>Classes of capital</i>			
1 Landlord or prosperous farmer employer	186	5.3	100
2 Middle peasant farmer (mostly hiring-in)	155	6.0	92
3 Trader or employer in transport and craft industry	156	4.4	100
<i>Classes of Labour</i>			
<u>Mostly Self-employed</u>			
4 Small peasant farmer (both hiring-in/out, or no hiring)	70	4.0	29
5 Trader or self-employed in transport, craft industry	82	3.8	13
<u>Mostly Wage-employed</u>			
6 Agricultural wage labour combined with some farming	68	4.3	14
7 Landless agricultural labourer	86	3.6	-
8 Wage employed (mainly non-ag. sector) and employer	145	5.4	100
9 Non-farming, non-agricultural wage worker	91	4.6	30
10 Farming, non-agricultural wage worker	101	4.1	41
Total	100	4.4	41

Source: Adapted from Oya and Pontara (2009).

7.5 WAGE-EMPLOYMENT, BARRIERS TO ENTRY AND SEGMENTATION

7.5.2 Wage Employment and Barriers to Entry

Table 7.12 shows that self-employment is the most common activity in the surveyed villages, affecting the majority of the population, either exclusively (65 percent) or in combination with wage work (20.5 percent). Yet, around 15 percent of respondents engage

⁹¹ Qualitative evidence shows that these households are compelled to survive on casual labour for neighbours or as migrants. Also, women who live in female-dominated or female-only households survive as self-employed on very low productivity occupations as basic craft makers or petty traders. These women are also socially stigmatised and bear many other forms of non-economic oppression within the villages and outside.

solely in wage employment. Concerning the latter, significant differences emerge from a gender standpoint. Around 70 percent of wage employment is accounted for by males. As expected, there are significant differences between villages. In KM women have the highest participation rate in wage employment, while in EV and OE only 28.7 and 13.3 percent of them participate in this type of activity. It is useful to recall here, as argued above, that in these two villages female wage employment is seen in a negative light.

Table 7.12 Employment Type in the last 12 Months by Sector and Gender, RLMS

In %		El Vejha	Kéur Mour	Ould Egueile	Total
Type of activity	Self-employed	58.8	60.9	75.8	65.1
	Wage employed	16.1	<u>21.7</u>	3.8	14.4
	Both	25.1	17.4	20.4	20.5
<i>Total</i>		<i>100</i>	<i>100</i>	<i>100</i>	<i>100</i>
Sector of employment (wage labour)	Agriculture, livestock and fisheries	21.8	33.3	63.2	36.0
	Commerce and non agriculture	<u>40.2</u>	34.2	<u>0.0</u>	28.7
	Combination of sectors	37.9	32.5	36.8	35.2
<i>Total</i>		<i>100</i>	<i>100</i>	<i>100</i>	<i>100</i>
Gender (wage labour)	Men	71.3	61.5	86.7	69.5
	Women	28.7	<u>38.5</u>	13.3	30.5
<i>Total</i>		<i>100</i>	<i>100</i>	<i>100</i>	<i>100</i>

Source: Adapted from GIRM/World Bank (2007). Figures are displayed in percentage.

Socially embedded labour supply constraints, according the results of the RLMS, characterise barriers to entry into the local wage labour market. Non-participation in the local wage labour market is explained essentially by two types of considerations. Nearly 50 percent of respondents on aggregate claim that participation in the local wage labour market is *not necessary*, as enough work is available on their own farms and other own-account activities. Few respondents report a lack of demand for wage workers as the main cause for non-participation, even though most local agricultural employers maintain that scarcity of inputs and means to extend cultivation on their farms prevent them from hiring more casual workers. The second consideration relates to the existence of *social and customary barriers* to 'working for others', especially so in the case of close neighbours. Social barriers to entry into the wage labour market are more prominent in the poorest

village, OE, where women in general (and married women in particular) are particularly affected. In OE, around one third of respondents state that is not 'appropriate' or 'acceptable' for women to hire themselves out on the wage labour market. Patriarchal relations and the control of men over the labour of women in their households have a notable influence on the creation of these social barriers in both EV and OE. In EV, a 37 year old teacher participating in a focus groups maintains that:

"There are social barriers...if someone asks me to fecundate the palm trees or weeding I will not do it...people who engage in these kinds of activities are well known...I can do these activities for myself, but nor for others." (GIRM and World Bank 2007).

But even in KM these social barriers are present. According to one respondent:

"A job is a job, and all jobs are good. However, there are people who do not want to hire themselves out on a neighbour's plot because they do not want to be given orders by him or her. But the same job can be done elsewhere..." (Author's use of GIRM/World Bank fieldwork notes).

A very significant exception is constituted by the hiring of female seasonal workers in the nearby agribusiness plantation of GDM in KM, where many (mostly unmarried) women from KM and neighbouring villages can find employment. At GDM, most of the seasonal agricultural labour force (73 percent) is made up of women. According to one male respondent in a focus group in KM:

"Men don't do anything at GDM. Women do everything there!" (Author's use of GIRM/World Bank fieldwork notes).

Thus, for many women, the relevance of social barriers of entry into the wage labour markets stops at the village gates, as working for wages elsewhere seems to be perfectly acceptable, even for the same types of casual agricultural job that are refused to neighbours (GIRM and World Bank 2007). These findings have some implications. In particular, as

demonstrated in KM, investing in agri-business and stimulating the demand for labour away from the borders of the village may entail a further element to those mentioned above (i.e. income generating activities and risk reduction). It is argued here that such investment could have a socially progressive element, inasmuch as it contributes to allow women to engage in paid employment and overcome traditional, and backward-looking social barriers by freeing females to pursue wage employment opportunities. There are significant differences in the frequency of different employers for the same agricultural labourer (Table 7.13), ranging from 2 in KM to over 10 in OE. The frequency may be associated with more or less strong forms of local paternalism and patronage. The occurrence of a high number of employers per worker means that in OE, for instance, wage employment is essentially casual in nature: that is, workers work for an employer only for a limited number of days. In OE, a village dominated by former slaves (Haratins), local employers who hire few semi-permanent workers and some daily casual labourers are more affected by paternalistic links with their workers, resulting in barriers to the hiring of outsiders. In this sense, forms of local social control and patronage raise barriers to village labour markets and insulate them from the outside influence. The presence of former slaves in OE transpires from the following excerpt of the life history of a female respondent in her 70s:

“My ancestors were slaves who accompanied their masters. But then the masters did not have any means for supporting the slaves, so the latter departed. [...]. My ancestors finally founded a village (Ould Egueila). But in 1952, the descendant of our masters asked us for this village. Hence, all the former slaves moved a few kilometres away and established Edebay Ould Egueile. We are still here.” (Author’s use of GIRM/World Bank fieldwork notes).

Table 7.13 Number of Employers during the last 12 Months,
RLMS

Village	Average	Median	Std. Deviation	N
El Vejha	5	4	3.559	13
Kéur Mour	2	1	1.966	16
Ould Egueile	10.6	12	5.382	12
Total	5.5	3	5.119	41

Source: Adapted from GIRM/World Bank (2007).

7.5.2 Segmentation of the Rural Wage Labour Market and Payment Methods

Evidence of labour market segmentation emerges when comparing the working conditions and pay offered to migrant seasonal workers in EV vis-à-vis local village workers, in favour of the former. This phenomenon is due to the fact that seasonal labourers are attracted to EV for a specific period of time during the *Guetna*, when the local farmers make most of their agricultural income but cannot count exclusively on the local labour force to complete the most important tasks. Groups of outside migrant labourers are able to negotiate better deals than the locals. The latter tend to be locked out from activities during the *Guetna* period, and find more days of work in the off-peak period for the 'post-flood' crops that suffer less from labour bottlenecks. The different treatment of 'outsiders' and 'insiders' is thus due to local social relations of production and power: in particular, it reflects the ability of local employers to keep the pool of local labourers in check. Overall, the two most important payment methods are daily wages and piecework or task-based remuneration (Table 7.14). The significance of one of the other method varies greatly from village to village. In EV, where a great deal of wage labour tasks is concentrated during the *Guetna*, employers impose task wages designed to speed up the process of harvesting and pass part of the risk on to the labourer. Agricultural wage work in EV is very diverse, encompassing a wide range of tasks with different timing and skill requirements. Hence, employers and workers prefer to bargain on the basis of each task, a practice that reduces supervision costs for most employers and grant a certain degree of discretion to the employee in the setting up of task rates. In OE, by contrast, payments are exclusively per day, while in KM some 20 percent of payments are made on a monthly basis.

Table 7.14 Payment Modality for Agricultural Wage Labour, by Village, RLMS

		El Vejha	Kéur Mour	Ould Egueile	Total
<i>Per day</i>	%	38.5	75.0	91.7	68.3
<i>Per month</i>	%	7.7	18.8	0.0	9.8
<i>Per task</i>	%	46.2	6.3	8.3	19.5
<i>Other type of pay</i>	%	7.7	0.0	0.0	2.4
Total	%	100	100	100	100

Source: Adapted from GIRM/World Bank (2007).

Quantitative data shows important differences between the daily payments received by workers across villages (Table 7.15). In general, remuneration is higher in EV and lower in both KM and OE. The prevailing daily wage rates in EV are usually MRO 1000, in what appears to be a regional/local 'convention', and significantly above the 'going daily rate' in KM and OE, where it hovers around MRO 500. The differences between 'going daily rates' between EV and the other villages could be explained by the different agricultural tasks involved; or the existence of conventions that are locally specific. Using a combination of quantitative and qualitative evidence the RLMS report suggests a number of hypotheses. First, the specificity of agricultural tasks in EV and the labour peaks that characterise the planting and harvesting of dates may result in a premium to attract more labourers. This is especially relevant during the peak period when migrants from other villages and regions arrive to participate in the works. The work on palm trees is extremely hard and therefore it may also entail a monetary premium. Second, in EV workers tend to have less available days to hire themselves out, so therefore the higher remuneration compensates for the more sporadic, casual nature of their work. Third, it is obvious that more people are available to work for wages throughout the year in KM (especially including Senegalese migrants) making village labour markets more competitive. Finally, these wages may respond, as suggested above, to conventions that are socially and historically embedded, where the personalised and often paternalistic nature of labour relations may play a greater role than technical factors or labour market supply and demand. Such norms do not change following 'shifts' in labour demand or supply (GIRM and World Bank 2007).

Table 7.15 Type of Payment and Amount Paid by Village, Ag. Wage Labour, RLMS

		Day		Month	Task	Task
		Average	Median	Average	Median	Average
El Vejha	MRO cash	940	<u>1000</u>	30,000 ^a	203	103
Kéur Mour	MRO Cash	546	<u>500</u>	14,667	n.a.	n.a.
Ould Egueile	MRO cash	1583 ^b	<u>500</u>	n.a.	n.a.	n.a.

Note: a\ this data comes from only one case; b\ the average payment per in OE is higher because of the presence of cases where work needs to involve the hiring of carts. A median of MRO 500 is more appropriate.

Source: Adapted from GIRM/World Bank (2007). Figures are presented in MRO.

7.6 SUMMARY OF FINDINGS AND IMPLICATIONS FOR FURTHER ANALYSIS

The following results emerge from the analysis of village labour markets on the basis of the RLMS:

- The proportion of the population considered active, as a proxy for 'effective employment' is 66 percent, compared to 49.8 percent in the EPCV (for rural areas as a whole). The proportion of 'inactive', jobless, people is thus much lower, around 34 percent, against more than 60 percent in the EPCV if one adds the unemployment and non-participation rates.
- The hiring in and out of labour is quite widespread at the household level. Richer households hire in labour, while the converse hold for poorer households, although this pattern is not uniform (see below). The RLMS also suggests that richer households participate in, and benefit from, *Twice* more so than poorer households.
- Seasonality emerges quite strongly in the RLMS, and varies markedly according to the village in question. While strong seasonality and the hardship of the environment compel households and individuals to pursue a range of activities in rural Mauritania, the results of the RLMS show that the extent of diversification in the surveyed villages should not be over-emphasised.
- At the individual level, the relationship between wage employment and socio-economic status shows a U-shaped pattern, with wage employment occurring more frequently amongst the very poor and the non-poor and less so in the middle category. Qualitative evidence shows a strong association between the provision of manual wage labour and poverty.
- "Capital classes", and 'labour classes' (mostly-self and wage-employed) do not automatically map into well-defined groups in terms of poverty and wealth. The class of mostly wage-employed comprises both well-off households, which are dependent on regular contribution from wage-employees; and extremely poor households, whose members engage in casual agricultural labour.

- Labour markets *strictu sensu* are characterised by social barriers to entry to some activities, notably wage labour on neighbours' plots for women, and other activities to which stigmas are associated. Most social barriers seem to stop at the village gate. Labour market segmentation is evident as there are significant differences in amounts paid out for similar tasks within and between villages.
- Labour mobility is also a common feature in all villages and concerns seasonal movements to Nouakchott or to towns in the same geographical area, i.e. Rosso in the case of KM, Nbeika for EV, and Ayoun-el Atrous for OE. There is little evidence of mobility between villages of similar size, apart from the migration of labourers to EV from neighbouring villages in the period of the *Guetna*.

The findings of this chapter add emphasis on some of key messages put forward in this dissertation. First and foremost, the RLMS points to remarkably higher labour market dynamism than what emerges from the EPCV. In the RLMS, the mix of qualitative and quantitative information – and notably the introduction of open question to clarify the meaning of the main labour market concepts (e.g. employment, unemployment, self- and wage-employment, etc.) – produces labour market indicators that portray remarkably vibrant labour markets in the surveyed areas. This result reinforces the point made in several chapters of this thesis that LSMS manage to capture the enumerated, formal labour market and, and, at best, the 'upper-tier' of the informal sector (regardless of the areas under scrutiny). In addition, it underscores the need for complementing the questionnaires of large, statistically representative surveys with modules that allows for the inclusion of open questions, and that are locally adapted to the realities under investigations. The concluding chapter picks up again on these themes. Secondly, the assumptions that in vulnerable dry-land Africa labour markets are thin or absent, and that a large majority of the population is composed of a class of self-employed peasant cultivators (Binswanger et al., 1991, Ellis 2000), are not borne out by the empirical micro-evidence on Mauritania. Labour hiring is widespread, as documented in the RLMS, and categories of households are far from homogenous. For instance, the U-shaped relationship between socio-economic status and wage employment (found both at the household and, more explicitly, at the individual level) stands in sharp contrast to the findings of the EPCV, where such

relationship was found to be unambiguously positive. Moreover, the classification of households into classes of capital and labour (and the further specification of the latter into 'mostly self- and wage-employed') has highlighted the heterogeneity of household categories in the villages surveyed. This finding underscores the necessity of implementing survey tools able to capture such diversity and warns against the formulation of sweeping generalisations concerning the nature of 'peasants' or 'small-holders', supposedly surviving on consumption of food cultivated on their plots of land.

Another factor that emerges as important in the surveyed areas – and that was underplayed in the EPCV – is seasonality. However, while strong seasonality and the hardship of the environment compel households and individuals to pursue a range of activities in rural Mauritania, the results of the RLMS show that the extent of diversification in the surveyed villages should not be over-emphasised. This is because the deployment of 'activity portfolios' are not simply a matter of household choice, but are also driven by compulsion and the need for survival. Hence, the assumptions that in dry-land Africa poor rural households and individuals spends their lives negotiating and finding new spaces for their survival through income diversification (e.g. Barrett et al. 2001, and the work associated with Bryceson in general) do not find decisive support in the RLMS. This is not to say that diversification does not exist. At the village level, diversification or specialisation depend on the local specific histories and vocations and the existing opportunities, which in turn largely depend on the proximity of the villages to market networks. Each village is characterized by specific professions, which reflect historical patterns of divisions of labour based on caste, a common finding in neighbouring Senegal. At the household level, household members tend to specialise in determined activities, but such specialisation is consistent with specific patterns of (intra-) household diversification. For instance, the engagement of young adults in wage labour in KM (at GDM), or embarking seasonal migration to 'urban' areas, in the case of EV (to the town of Nbeika), are strategies geared at assuring some constant stream of income to the household all year round. This also minimises the risk, linked to seasonality, of fluctuating income streams coming from single activities. At the individual level, individuals perform a range of activities throughout the year, which are shaped by various factors, including location,

skills, accessibility to outside employment, age, gender, and economic status of the household (whereby members of richer households manage to diversify into more profitable activities that require some start-up capital and connections, like trade).

The analysis also picked up on differences between the drivers of dynamism in local economies and has focused on the nature and history of local social relations of production and exchange. Past master-slave relations still have an impact on current labour relations. And some elements of labour bondage reproduced across generations continue to exist, usually concealed by appearance of patronage and paternalism between employers and workers. The labour market *strictu sensu*, and notably wage employment in agriculture, is characterised by barriers to entry to some activities, notably wage labour on neighbours' plots for women, and other activities that carry stigmas, such as charcoal making and selling, fruit gathering, and so on. In general, the agricultural labour market is not competitive but segmented and localized; and does not function like a capitalist labour market but depends on a history of relations between worker and employers that are heavily personalized. There are significant differences in amounts paid out for similar tasks within and between villages. These findings underscore the importance of implementing a framework that emphasise 'divisions' and bringing history into the picture, such as that advocated in Chapters 1 and 3. One of the key differences between the classical political economy-inspired and neo-classical paradigms is precisely in the treatment of such 'divisions'. The latter do not deny their existence between producers with land, landless labourers, landlords, traders, and so on; but analyse them in terms of 'mutuality', with the relevant agrarian institutions acting to disperse risk for all the parties involved. In the former camp, by contrast, 'divisions' are antagonistic. Relationships between different actors reflect the attempt of dominant classes to appropriate much of the surplus above subsistence. In the labour market, by the same token, the relationship between a capitalist employer and wage labourer involves, by definition, exploitation and the capture of surplus value. Mutuality also implies parity of economic power amongst different actors, and the

belief that individuals participate in market exchange voluntarily and so long as it is gainful to them. Classical political economists reject this notion.⁹²

Finally, while the RLMS offer an excellent insight into the dynamics of village labour markets, it presents also some lacunae that hopefully will be filled by further research. As argued by Bharadwaj (1989, 1990), in a poor, predominantly agrarian economy, the formation of the labour market cannot be analysed in isolation from development in the wider economy as a whole. Rural employment cannot be treated in separation from the macro processes of accumulation in the economy (including macro-economic and sectoral policies). Moreover, within the rural economy, the rural labour market cannot be analysed in isolation: the household's demand for and supply of labour are only a part of the totality of survival (or exploitative) strategies that are geared to producing a livelihood. The RLMS is silent on the economy-wide picture and does not explore in any detail the exchanges that take place in the output, credit, and land markets. Hence, the analysis of rural labour markets, at times, is carried out in a vacuum, making policy inference practically difficult. Besides these topics, and more directly concerning the results of the RLMS, it would be useful to investigate more in depth the payment modality for all categories of employment presented; and the determinants of wages paid out for daily tasks, including the variation between villages and employers. This would contribute to shed further lights on patterns of labour market segmentation. Moreover, given the social barriers that exist for certain activities and that affect in particular (poor) women, a more systematic study of their behaviour labour market involvement is also welcome. Finally, a more in depth analysis of the activities, and combination of activities, that have allowed some individuals and households to accumulate wealth and become in turn employers in their respective areas of residence would also illuminate some of the patterns of accumulation that have taken place.

⁹² Bhaduri (1986) talks about involuntary participation in market exchange, what he calls 'forced commerce'. For instance, in the context of interlocked markets, trading in the credit market can take the form of a consumption loan induced by a threat to survival. In turn, this act can lead to involuntary participation in exchange in some other market. In the context of asymmetry of economic power, one party can dictate the terms of the exchange while the other is obliged to accept it within limits.

CONCLUSIONS: THEORETICAL AND METHODOLOGICAL LESSONS AND POLICY IMPLICATIONS

The aim of this dissertation has been to critically examine the dominant theoretical and methodological approaches to the conceptualisation of the labour market in low-income countries (LICs), with particular attention paid to rural areas and to Africa, using the example of Mauritania.⁹³ The work conducted in the preceding chapters has attempted to demonstrate that these approaches are, by and large, inadequate. It has proposed, as an alternative, an analytical framework that draws from the classical political economy tradition. Such framework questions the ability of neo-classical paradigms to capture the salient characteristics of rural 'change' and labour markets of LICs, as they focus on few a-historical and a-social variables that are supposedly measurable for analytical purposes and mathematical tractability in the most rarefied versions. In such paradigms, the social dimension is often reduced to self-interested rational choice in response to market signals, imperfections and risk. The proposed framework, by contrast, emphasises that individual choices are socially determined and take place in specific geographical and historical contexts. Instead of rationalities, it makes sense to talk about dynamics that are historically and spatially defined and respond to particular processes of social formation, differentiation and accumulation in the long term. This framework, moreover, has underlined the crucial role of employment in reducing poverty, a role which is currently under-emphasised in theoretical debates and policy making alike.

In practice, this thesis has advocated that policies geared towards generating sustainable and productive employment ('decent work') should be at the core of Mauritania's economic and social policies. At present, unfortunately, this is not the case.

⁹³ The overarching background for the analysis conducted in this dissertation is the contemporary discourse of rural poverty and associated policy prescriptions. It has been argued that this discourse is wide of the mark, in that it is based on a-historical and unexamined ideological beliefs concerning the role of the market and individual choice in explaining capitalist accumulation and distribution processes in agrarian economies. Important elements of this framework include the conceptualisation of poverty, the identifications of the rural poor, and their involvement (whether assumed, or measured) in the labour market (Sender 2003).

Both the PRSPs produced in Mauritania to date have low employment content. Moreover, employment generation does not figure in the domestic debates, or in the 'dialogue on reforms' that is routinely carried out between the Mauritanian authorities and multi-lateral organisations such as the World Bank and the IMF. It is maintained here that this lack of attention to employment represents a missed opportunity. Creating better earning opportunities for the poor should be one of the top priorities if poverty is to be drastically reduced. Given the lack of attention to, and information on, labour markets in Mauritania, it is hoped that this dissertation can contribute to bring back employment from the margins of the policy discussions; and, ultimately, offer policy makers a knowledge base to design better labour market surveys and formulate policies geared at lifting people out of poverty through the creation of decent working opportunities. As put eloquently by Fields (2007:3):

"A person's economic well-being is determined by how much s/he and other family members earn for their labour and by what goods, services, and cash they receive from the government, the community and others. Even with multilateral and bilateral assistance, developing country governments are too poor to be able to make a significant dent in poverty through government spending, and families are too poor to make large enough transfers to the less-advantaged amongst them. This means that creating more and better earning opportunities for the poor [through the labour market] is the only option available."

This dissertation has tried to make some original contribution to the *theoretical debate* on (rural) poverty alleviation in Africa, through a labour-market based approach. This has been done, *inter alia*, by reviewing the *empirical evidence* on the vitality – often ignored – of African labour markets and their potential role in reducing poverty. From a *methodological* standpoint, this dissertation has critically discussed some of the limitations of commonly-used labour market indicators and concepts, such as the notions of employment, under-employment, unemployment, the distinction between self- and wage-employment, and key issues surrounding the dichotomy between formal and informal activities. Moreover, it has questioned the ability of large, statistically-representative

surveys to provide a meaningful picture of labour markets in poor, predominantly agrarian economies. At the *applied* level, the work conducted here has sought to ‘compare’ the main findings of a large budget survey such as the EPCV (drawing from Radjadel et al, 2009 – Chapter 6) with those of a micro-study, the RLMS (critically examining the results of GIRM and World Bank 2007, Chapter 7) concerning the labour markets of Mauritania, whose salient political economy features and labour market policies were reviewed in Chapter 4. The results of this comparison have been used to check, reinforce, or challenge the main points made throughout the dissertation concerning the theoretical and methodological approaches to labour market analysis (specifically in Chapters 1, 3, and 5). In addition, the analysis conducted in Chapters 6 and 7 makes a further contribution to the empirical evidence on (rural) labour markets in Africa (Chapter 2). What follows summarises the key points made in this dissertation, notably with respect to the advantages of using a political economy framework in the analysis of rural ‘change’ through the lens of the labour market; the main methodological lessons with respect to the design and implementation of labour market research tools; and some policy lessons that emerge from the analysis conducted.

I. BACK TO CLASSICAL POLITICAL ECONOMY

This dissertation started out by developing an overarching framework within which rural ‘change’ and labour markets could be analysed. This framework draws from the classical political economy tradition, and is considered more apt than orthodox neo-classical approaches, and their more diluted variants based on market imperfections, to explore the (rural) realities of contemporary poor countries. It has been argued that even those neo-classical strands that attempt to account for institutions and the social sphere through the prism of market imperfections are unable to confront the realities and complexities of capitalist penetration in the countryside of LICs. Such approaches continue to ignore class structures; the existence of a differentiated peasantry; and the struggle between capital and labour. Moreover, they are weak in their treatment of the state (Byres 2006). In addition, these paradigms continue to locate optimising, (if) imperfectly, informed individuals within axiomatic models that are devoid of social and historical

content and context (Fine 2006). As argued in Chapter 1, these points constitute the gist of the critique formulated towards sustainable livelihood approaches (SLAs), which have been defined as mere permutations of (new-) neo-classical paradigms. It has been argued that within SLAs there is little space for power (coercion, exploitation and confrontation), history, collective agency, and therefore class struggle, as these categories of analysis are replaced by strategising, preferences, priorities and choice. Class (as a relational concept) is absent from the discourse on livelihoods and the political space is very limited – focussing merely on a vague notion of ‘empowering the poor’. By contrast, in the place of atomistic decision makers, classical economists maintain that individuals in society are motivated and make decisions according to countervailing interests and passions. Individuals belong to different ranks or classes and face multiple constraints as suppliers and demanders, such as the physical and material resources at their disposal as well as the systemic constraints that circumscribe their options, and which emanate from the process of accumulation itself. Therefore, the expanding feasibilities of activities and material opportunities are not open to all in an equal manner: given the class-based structure of the society, the process of accumulation produces a differential impact on different classes, impacts that are or can be contradictory and conflicting. The process of accumulation defines these circumstances (Bharadwaj 1989).

When considering in particular labour markets, it was argued that neo-classical economics treat labour like any other commodity. The same theoretical framework of supply and demand that is applied to other factor inputs – with the accompanying notion of equilibrium – is also applied to labour. However, the discussion has emphasised the characteristics that set labour aside from other commodities, such as the human agency involved in the sale and purchase of labour, which is inseparable from the worker; and the labour power, which is bought and sold on the market. It was also argued that labour market outcomes are determined by socio-economic structures and structuring (i.e. between classes, between production and exchange, and between the economy and society more generally), agents and processes. Structures need to be reproduced and transformed, and, in the process, economic forces of capitalist accumulation do not interact harmoniously with one another. It is thus fallacious to assume that within labour markets

there are forces that operate more or less harmoniously and efficiently to grind out equilibrium levels of employment and associated working conditions. But if equilibrium is rejected, then it is necessary to show how labour market structures have historically arisen and how they are socially reproduced and transformed. It has been argued, therefore, that the analysis of labour market structures needs to incorporate the underlying socioeconomic factors in an integral way, including those arising from the relations between capital and labour (Fine 1996). Applied to the labour markets of poor agrarian economies, this framework emphasises, besides the levels of employment and wages, the changing characteristics and particular forms of labour processes as the accumulation process proceeds. This entails an analysis of the relationship of the survival strategies of households that are compelled to sell labour, as well as the strategies of the surplus appropriators. From an analytical standpoint, it has been argued that the understanding of production and exchange processes in the rural economy can be facilitated by classifying rural households in different categories, according to selected criteria and the specificity of the areas under investigation; and, subsequently, carrying out the study the exchange systems in the main market of the economy – output, credit, land and labour – with a view to identifying the nature and terms of the participation of the different categories of rural households in these markets (Byres 1996, Bharadwaj 1990).

It was argued in Chapter 7 that the RLMS, despite some limitations, has attempted to factor in some of the above issues in the analysis of selected village labour markets in Mauritania. The micro-survey has portrayed rural realities that are far from homogenous. Its analysis has shown that the key elements emphasised by classical political economists – such as the importance of ‘divisions’, the history of local social relations of production, and so on – are extremely relevant in the villages surveyed. Indeed, this framework has helped in crucial ways the understanding of differences between the drivers of dynamism in local economies. For instance, as noted in the case of Edebay Ould Egueile, the RLMS has stressed how past master-slave relations have an impact on current labour relations. And some elements of labour bondage, which have reproduced across generations, continue to exist, usually concealed by appearance of patronage and paternalism between employers and workers. Hence, the existence of ‘divisions’ (not based on ‘mutuality’

terms) are important in this specific, localised context. By the same token, in the Senegal River Valley, where Keur Moûr is situated, local labour relations have been profoundly affected by a more obvious capitalist penetration, initiated in the colonial period, and further deepened by state intervention in irrigation and land management and legislation after Independence. This is an area where urban-based agricultural entrepreneurs invest and where land pressure (and conflict) is significant. It is also an area of 'border-economies', where cross-border trade and temporary migration in search for work are also important phenomena. Here it is not uncommon to find resistance to capitalist penetration, especially when spearheaded by export agribusinesses, which sometimes are urban-based Beydane entrepreneurs. There is an interesting dialectics between, on the one hand, a rhetorical and sometimes open resistance to 'newcomers', based on the problematic of access to land (and labour); and, on the other hand, the opportunities – especially in terms of the availability of wage work and access to infrastructure – that these 'pure' capitalist enterprises offer to many households in the village (Oya and Pontara 2009).

The RLMS findings, moreover, have shown that village labour markets do not operate more or less harmoniously and efficiently, but they are differentiated from one another. Evidence in El Vieja and Edebay Ould Egueile has emerged concerning (social) barriers to entry for certain activities, and labour market segmentation on the basis of personalised relationships between employers and workers. The labour market *strictu sensu* (wage employment, notably in agriculture), for instance, is characterised by social barriers to entry to some activities. These include the provision of wage labour on neighbours' plots by females, and other activities such as charcoal making and selling which carry social stigmas. Labour market segmentation is evident, as there are significant differences in amounts paid out for similar tasks within and between villages (GIRM and World Bank 2007). In sum, in the villages surveyed, it is unlikely that the neo-classical apparatus of supply and demand – and the notion of equilibrium – can be successfully deployed in such heterogeneous contexts, even when the most stringent assumptions are relaxed through the introduction of market imperfections. By contrast, an approach based on the specificity of labour; the horizontal and vertical differentiation of labour markets; and the importance of

history in the analysis of labour market structures, is more apt to illuminate the salient characteristics of labour markets.

II. DESIGN OF SOUND RESEARCH TOOLS FOR LABOUR MARKET ANALYSIS

The work conducted has also attempted to challenge the 'standard' labour market narrative, which can be derived from the elaboration of the data of large, statistically-representative surveys. In particular, it has been argued that the EPCV shares some of the shortcomings of other LSMS and budget surveys, in that it makes use of analytical and statistical categories usually developed to capture the socio-economic realities of the labour markets of more advanced capitalist countries. Indeed, the EPCV is actually unrepresentative of the labour market experiences of rural households, particularly amongst the poor. The EPCV presents an overly aggregate picture of the Mauritanian labour market. It cannot discriminate sufficiently between urban and rural areas; and tends to capture, at best, the enumerated (formal) segments of the urban and rural labour market and possibly the 'upper tier' of the informal sector in both areas. These shortcomings have become apparent when discussing some of the key results of the EPCV, such as the a relatively low labour force participation, high unemployment levels amongst the poor (and also amongst women and the youth), and the strong, positive relationship found between socio-economic status and wage employment, discussed in Chapter 6. Moreover, these shortcomings have been further exposed by the comparison made between the results of the EPCV and RLMS. While the latter is not statistically representative, it portrays significantly more vibrant (village) labour markets. Yet, such vibrancy – as shown by the main labour market indicators – remains below the radar screen in the EPCV. It has been argued elsewhere that when applied to the realities of rural LICs, LSMS tend to miss out 'pockets' of wage employment, that is groups of rural dwellers that may belong to the unenumerated sector in rural areas but are in fact 'active' in the agriculture and/or non-agriculture sectors. The consequence of the invisibility of many poor rural workers is that the recording of wage levels and the monitoring of the rate of growth of real wages in rural areas – the latter an important indicator of poverty reduction – are not carried out (Sender 2003, Ghose 2004, Sender et al. 2005).

One of the most important lessons that emerge from the comparisons of the EPCV and the RLMS, and from the methodological innovations presented in the latter, is that the recording of activity levels of individuals in the labour market on a few, selected questions, or in the context of a single, 'closed' questionnaire – such as in the case of the EPCV (but even the 'closed' part of the RLMS questionnaire) – may result in serious estimation errors. By way of example, GIRM and World Bank (2007) maintains that the information collected during the first phase of fieldwork turned out to be inaccurate, as it emerged during the implementation of the second phase when 'open' questions were introduced. In addition, the development and implementation of detailed and locally-adapted employment matrices and employment scorecards has proven invaluable, as these instruments facilitated the cross-checking of information and ultimately the relevance and quality of the picture produced. These points underscore the importance of integrating quantitative and qualitative methods of inquiry. The synergy between these two techniques in the RLMS has been shown to be fundamental in identifying anomalies in the results generated on the basis of 'closed' questionnaires alone. In particular, one of the most glaring inconsistencies of the RLMS quantitative modules – the enormous differences in labour market indicators in the three villages – has been attributable to the confusion (conceptual, analytical, and cultural) that surrounds the notion of 'employment', which is interpreted differently by enumerators and respondents alike. This notion can acquire different meaning depending on the dynamism of the local economy, as well as local cultural and socially-embedded norms. Therefore, in the case of Mauritania, the utilisation of 'open' questions to further explore the ways in which rural dwellers conceptualise what it means to 'be employed' allowed the spotting of anomalies in the quantitative results and the introduction of corrective measures. Qualitative evidence was also valuable in the investigation of social barriers to entry for particular occupations, as it complemented the somewhat inconclusive evidence that emerged from the quantitative data. It also shed light on the characteristics of different types of 'contracts' between employers and workers; the details surrounding negotiations between parties; the payment modalities; and the association of particular occupations to specific socio-economic statuses, according to prevailing social norms. The lessons learned in Mauritania, through the experience of the RLMS, have therefore clear

implications for the conduct of rural labour market research tools in the context of semi-arid Africa (and beyond).

While in Mauritania, as elsewhere in Africa, progress have been made in recent year with respect to the measurement of poverty, the collection of information on employment has deteriorated in recent years (Rosanvallon 2004, 2006).⁹⁴ Therefore, it seems important to: fund programs to sharpen the definition of labour market indicators and concepts, and collect employment statistics on a regular and consistent basis. The ultimate aim should be to ensure that these tools are able to portray a more reliable picture of what is often vaguely referred to as 'informal' employment and capture more accurate and context-specific occupational categories, notably in rural areas.⁹⁵ Concrete options include carrying out regular enterprise surveys (these have never been done in Mauritania yet could offer relevant information to policy makers); extending the recurrent EPCV by adapting its labour market questionnaires (including a specific qualitative labour market module); and developing, launching and carrying out periodically labour force surveys covering different aspects of employment (e.g. the 'informal' sector) to complement the EPCVs. The emphasis, once more, should be on making sure that these surveys are properly designed and aimed at collecting reliable information that are relevant and useable by policy makers. In addition, following Sender at al. (2005: 78):

"New types of complementary surveys should purposively select sample of workers rather than 'households', focusing on those workers that micro-surveys have identified as the most disadvantaged and lowest paid labour market participants. The results of a new pro-poor statistical research agenda could fill important data gaps [...] and identify policies that are affecting and could increase the demand for [...] poorly educated labour."

⁹⁴ Weeks (1996) maintains that designing poverty reduction programs without employment statistics is tantamount to elaborating and monitor macro policy without data on national accounts.

⁹⁵ One possibility is to rejuvenate enterprise surveys; extend the recurrent EPCVs and adapt their labour market questionnaires (including a specific qualitative labour market module); and develop, launch and carry out periodically labour force surveys, to complement the EPCVs, covering different aspects of employment in. The emphasis, once more, is on making sure that these surveys are properly designed and aimed at collecting reliable information that are relevant and useable by policy makers.

Clearly, given the limited resources and capacity available in the Mauritania statistical office (ONS), there is a trade-off between the donor driven mandate of collecting detailed consumption data on the basis of which 'internationally comparable' poverty lines and the apparent need to collect more reliable data on employment issues, given the paucity of current information. It is argued here that multi-lateral organisation and bilateral donors alike should help through financial and technical assistance the Mauritanian authorities to strengthen the statistical base of employment data. At the moment, such support is only forthcoming for the collection of consumption data, every four years or so, in the context of the EPCV. This is clearly not enough.

III. POLICY LESSONS: CREATING DECENT EMPLOYMENT IN MAURITANIA

On the basis of the evidence produced in this thesis, some *tentative* policy suggestions can be made here. First of all, as argued, it is desirable to bring back policy making on the labour market from the margin of the policy arena, where it is presently confined. This applies predominantly, although not exclusively, to rural employment policies given that the poorest people in Mauritania are rural-based (GIRM 2006). While better, more disaggregated employment statistics and information are needed to do so, this also requires substantial political will, considering that the majority of rural labourers (and potential rural labour opportunities) in Mauritania are concentrated in the Senegal River Valley. Chapter 4 has highlighted the complexity of relations between ethno-cultural groups in this area, where black-African Mauritians are heavily represented; and its persistent neglect by successive governments both in terms of policy focus and investment. As a result, the importance of agriculture and – to a lesser but still significant extent – livestock, has diminished overtime, due to the demise of traditional livelihoods.

More concretely, the results that emerge from the analysis conducted in Chapters 6 and 7 offer some guidance to policy makers. First, policies that are aimed at boosting rural employment must pay attention to the specificity and levels of dynamism of local economies, which vary markedly from area to area. Second, it seems important to put in place measures that contribute to reduce economic and social barriers to some forms of

employment. *Economic* barriers can be dismantled by injecting financial resources in local economies so as to improve the availability of credit, which can be tapped in to undertake local investment projects and can generate positive spill-over in term of employment and income generation. As discussed, *social* barriers usually relate to gender issues, or belonging to specific ethno-cultural groups, and affect the ability or freedom of particular categories of people to engage in determined occupations (e.g. women in agricultural wage labour, village dwellers in general in activities that involve the production of charcoal, picking of fruits, and so on). Creative and 'credible' efforts need to be targeted at the community level if the objective is that of expanding the local supply of labour in *some* of these activities as well as scaling up their size.

There seems to be also merit in supporting the establishment of big agri-business private schemes and/or commercial (plantation-style) agriculture, notably in the Senegal River Valley. The replication of experiences such as the GDM in KM can contribute substantially to inject dynamism into the valley, and create both direct and indirect wage employment opportunities, the latter from induced demand for services such as food catering, transport, and so on. This would stimulate the demand for wage labour, thus providing earning opportunities for rural households and, ultimately, contributing to reduce risk. Investing in agri-business and stimulating the demand for labour away from the borders of the village may entail a further, socially progressive element inasmuch as it contributes to transcend some of the social barriers to entry into certain activities for women, which seem to evaporate beyond the village gates. Also, importantly, greater competition amongst employers could allow workers to bid for higher wages, notably those engaged in casual, daily labour. These efforts, however, needs to be complemented by action on land issues, notably with respect to the resolution of the tensions that currently exist between customary and official land tenure systems and regulations, which were alluded to in Chapter 4.

Moreover, measures should be put in place to reduce the effects of seasonality on income-generating activities. Seasonality is an important element that affects the ability to survive as it governs, *inter alia*, the participation of the active rural population in the

labour market, and the migratory movements in which rural dwellers engage. Public investment, notably in irrigation, improvements in the road network (notably rural feeder roads), and the creation of public works at the local level in the 'slack' periods are some of the policies that the authorities can put in place to lessen the effect of seasonality. Indeed, the dynamism of KM underscores the importance of the availability of infrastructures and the proximity of market network for the livelihood of rural dwellers. Last, but not least, considerable efforts need to be carried out to make sure that the rural population is aware of the key blocks of the labour legislation, notably the existence of a minimum salary in Mauritania and of other norms that exist to guarantee casual, poor (agricultural) workers a decent level of remuneration and good working conditions. This is presently not the case in the areas surveyed.

London, November 17, 2009.

APPENDIX 1. LABOUR MARKET DEFINITIONS (EPCV)

Working-Age Population

All individuals between 15 and 64 years of age are classified as belonging to the working-age population.

Labour Force Participation

Share of the working-age population that is either employed or unemployed (ILO definition).

Labour Force Participation – Relaxed Definition

Share of the working-age population that is either employed or unemployed (using the relaxed definition of unemployment).

Employment-to-Population Ratio

Share of the working-age population that is employed.

An individual is classified as being employed if (i) the individual worked or (ii) had a job or enterprise but was temporarily absent from work during the reference period.

Unemployment Rate – ILO Definition

Share of the labour force that is unemployed.

An individual is unemployed if (i) the individual did not work during the reference period and (ii) was looking for a job and ready to work during the reference period.

Unemployment Rate – Relaxed Definition

The relaxed definition for unemployment includes all the unemployed according to the ILO definition as well as all individuals who did not work in the reference week and did not look for a job because they thought there were no jobs available.

Non-Participant

A working-age individual is classified as a non-participant (or out of the labour force) if the individual was neither employed nor unemployed during the reference period.

APPENDIX 2. ADDITIONAL TABLES

Table A. Reasons for Not Participating in the Labour Force, EPCV

	<i>All</i>	<i>Age Group</i>			
		<i>15-24</i>	<i>25-34</i>	<i>35-54</i>	<i>55-64</i>
<i>No work</i>	15.5	21.1	16.6	7.6	3.1
<i>Slack season</i>	1	0.6	1.6	1.4	0.8
<i>Student</i>	20.6	41.3	4.8	0.2	0
<i>Family/household obligations</i>	50.3	28.1	72.9	77.9	33.7
<i>Too young/old</i>	9.9	7.2	1.6	9.4	56.7
<i>Disabled</i>	2.2	1.3	1.8	3.3	5.1
<i>Other</i>	0.5	0.4	0.7	0.3	0.6
<i>Total</i>	100	100	100	100	100

Source: Adapted from Rajadel, Pontara and Sanchez-Puerta (2008). Figures are displayed in percentage. Totals might not always exactly amount to 100 due to rounding.

Table B. Out of the Labour Force: Motives by Gender and Living Area, EPCV

	<i>All</i>	<i>Male</i>		<i>Female</i>	
		<i>Rural</i>	<i>Urban</i>	<i>Rural</i>	<i>Urban</i>
<i>No work</i>	15.5	26.1	27.7	10.1	14.4
<i>Slack season</i>	1	3.7	2.6	0.3	0.5
<i>Student</i>	20.6	36.5	51.5	8	20
<i>Family/household obligations</i>	50.3	11.4	2.8	70.2	56
<i>Too young/old</i>	9.9	16.2	11	9.3	7.7
<i>Disabled</i>	2.2	5.4	3.9	1.5	1.2
<i>Other</i>	0.5	0.8	0.6	0.5	0.3
<i>Total</i>	100	100	100	100	100

Source: Adapted from Rajadel, Pontara and Sanchez-Puerta (2008). Figures are displayed in percentage. Totals might not always exactly amount to 100 due to rounding.

Table C. Education by Age Group, EPCV

<i>Level of education</i>	<i>Age group</i>				
	<i>15-24</i>	<i>25-34</i>	<i>35-44</i>	<i>45-54</i>	<i>55-64</i>
<i>None</i>	34.8	50.3	64.8	81.3	91
<i>Primary</i>	36.5	23.5	11.3	6.6	4.2
<i>Secondary</i>	27.4	21.7	16.3	8.8	3.3
<i>Higher</i>	1.3	4.5	4.7	3.2	1.5
<i>Total</i>	100	100	100	100	100

Source: Adapted from Rajadel, Pontara and Sanchez-Puerta (2008). Figures are displayed in percentage. Totals might not always exactly amount to 100 due to rounding.

Table D. Education and Poverty, EPCV

	<i>Non-poor</i>	<i>Poor</i>	<i>Extremely Poor</i>
<i>None</i>	44	66.5	69.5
<i>Primary</i>	23.9	21.7	20.5
<i>Secondary</i>	27.6	10.9	9.5
<i>Higher</i>	4.5	0.9	0.5

Source: EPCV 2004. Figures are displayed in percentages.

Table E. Main Labour Market Indicators by Region, EPCV

	<i>Labour force participation*</i>	<i>Employment-to-population ratio</i>	<i>Unemployment Rate*</i>
All	49.3	42.1	14.7
Adrar	36.1	27.8	22.9
Assaba	54.3	52.0	4.1
Brakna	39.6	35.1	11.2
Dakhlet Nouadhibou	58.6	38.1	35.0
Gorgol	55.3	44.5	19.6
Guidimagha	59.2	39.0	34.2
Hodh Ech Chargui	52.1	49.6	4.8
Hodh El Gharbi	52.9	45.0	14.9
Inchiri	42.4	28.5	32.7
Nouakchott	48.0	42.0	12.5
Tagant	43.1	34.6	19.7
Tiris Zemmour	35.2	30.5	13.5
Trarza	41.5	37.4	10

Source: Adapted from Rajadel, Pontara and Sanchez-Puerta (2008). Figures are displayed in percentage. * Standard ILO definition

Table F. Repartition of the Employed Population by Sector of Activity and Gender (2004)

	Total	%	Men	%	Women	%
Agriculture	130328	24.5	83724	64.2	46679	35.8
Livestock	33684	6.3	32644	96.9	1041	3.1
Fisheries	16496	3.1	15458	93.7	1039	6.3
Mines	6324	1.2	5913	93.5	411	6.5
Industry	12623	2.4	7024	55.6	5599	44.4
Construction	21414	4.0	21018	98.2	396	1.8
Transport and Communication	20284	3.8	18749	92.4	1535	7.6
Commerce	130963	24.7	83668	63.9	47296	36.1
Services	56169	10.6	38433	68.4	17736	31.6
Administration	46512	8.8	35533	76.4	10980	23.6
Other	56362	10.6	42123	74.7	14239	25.3
Total	531159	100	384287	72.3	146951	27.7

Source: Rosanvallon (2006).

Table G. Non-Participation Rate by Gender, Living Area, and Age Group, EPCV

		<i>Living Area</i>		<i>Age Group</i>			
		<i>Rural</i>	<i>Urban</i>	<i>15-24</i>	<i>25-34</i>	<i>35-54</i>	<i>55-64</i>
<i>All</i>	50.7	50.2	51.4	67.3	47.5	37	44
<i>Net of individuals attending school</i>	45.1	46.6	42.9	55.1	46.4	37	44
<i>By gender:</i>							
<i>Male</i>	26.6	23.1	31.2	55	14.4	5.5	21.4
<i>Male, net of those attending school</i>	16.9	16.1	18.1	35.5	11.8	5.5	21.4
<i>Female</i>	72	73.5	69.8	78.3	69.6	66.6	73.5
<i>Female, net of those attending school</i>	69.1	71.9	65	71.3	69.1	66.6	73.5

Source: Adapted from Rajadel, Pontara and Sanchez-Puerta (2008). Figures are displayed in percentage.

Table H. Reasons for not Participating in the Labour Force by Gender and Living Area, EPCV

	<i>All</i>	<i>Male</i>		<i>Female</i>	
		<i>Rural</i>	<i>Urban</i>	<i>Rural</i>	<i>Urban</i>
<i>No work</i>	15.5	26.1	27.7	10.1	14.4
<i>Slack season</i>	1	3.7	2.6	0.3	0.5
<i>Student</i>	20.6	36.5	51.5	8	20
<i>Family/household obligations</i>	50.3	11.4	2.8	70.2	56
<i>Too young/old</i>	9.9	16.2	11	9.3	7.7
<i>Disabled</i>	2.2	5.4	3.9	1.5	1.2
<i>Other</i>	0.5	0.8	0.6	0.5	0.3
<i>Total</i>	100	100	100	100	100

Source: Adapted from Rajadel, Pontara and Sanchez-Puerta (2008). Figures are displayed in percentages. Total might not always exactly amount to 100 due to rounding.

Table I. Rural Females Out of the Labour Force: Motives by Age Group and Poverty Status, EPCV

	<i>All</i>	<i>15-24</i>		<i>25-54</i>		<i>55-64</i>	
		<i>Non-poor</i>	<i>Poor</i>	<i>Non-poor</i>	<i>Poor</i>	<i>Non-poor</i>	<i>Poor</i>
<i>No work</i>	15.5	16.1	16.7	9.3	7.2	1.5	1.9
<i>Slack season</i>	1	0.5	0.4	0.3	0.2	0	0
<i>Student</i>	20.6	21.4	22.3	0.5	0.7	0	0
<i>Family/household obligations</i>	50.3	55.8	50.1	85.3	86.1	59.9	61.1
<i>Too young/old</i>	9.9	4	8.4	2.4	4.3	36.5	34.7
<i>Disabled</i>	2.2	1.5	1.8	1.3	1.1	2	2.2
<i>Other</i>	0.5	0.7	0.4	0.7	0.5	0	0
<i>Total</i>	100	100	100	100	100	100	100

Source: Adapted from Rajadel, Pontara and Sanchez-Puerta (2008). Figures are displayed in percentage.

Table J. Self-Employed: Monthly Earnings and Poverty, EPCV

	<i>All</i>		<i>Non-poor</i>		<i>Poor</i>		<i>Extremely Poor</i>	
	<i>Mean</i>	<i>Median</i>	<i>Mean</i>	<i>Median</i>	<i>Mean</i>	<i>Median</i>	<i>Mean</i>	<i>Median</i>
	29.2	20	36.9	20	20.9	16	20.6	15
<i>Rural</i>	26.8	20	33.7	20	20.8	16	20.7	15
<i>Urban</i>	37.8	21	44.6	30	21.8	18	19.8	15
<i>Male</i>	35.1	21	44.5	30	24.8	20	24.6	20
<i>Female</i>	14.6	10	17.4	12	11.9	10	11.4	9

Source: Adapted from Rajadel, Pontara and Sanchez-Puerta (2008). Figures are displayed in MRO 000.

Table K. Breakdown of Employed Rural Population by Employment Type and Status

Status	Sedentary		Nomadic		Total	
Sector	Number	%	Number	%	Number	%
Agriculture, Livestock and Forest	139473	68.1	62831	89.8	215917	50.2
Fisheries	7379	3.6	440	0.7	16378	3.8
Technical Work	5009	2.4	396	0.6	19689	4.6
Directors	97	0.0	160	0.0	1178	0.3
Office employees	595	0.3	25	0.0	9892	2.3
Commerce employees	22430	10.9	2553	3.7	64820	15.0
Catering employees	6772	3.3	1073	1.5	24305	5.7
Other	12820	6.3	1264	1.8	45616	10.6
Non declared	10314	5.1	1324	1.9	32031	7.5

Source: Sidiya et al (1996).

Table L. Combination of Occupations per Village, RLMS (Individual Level)

El Vejha	%	Kéur Mour	%	Ould Egueile	%
SE Craftsman	16	SE Ag	26	SE Ag	32
SE Craftsman + SE Ag	15	SE Ag + SE Comm	16	SE Ag + Catering	29
Nag Wage	10	NAg Wage	13	SE Ag + Ag Wage	9
Nag Wage + SE Ag	5	Ag Wage	8	SE Ag + SE Other	8
SE Craftsman + Nag Wage	5	SE Live	6		
SE Craftsman + SE Other	5	NAg Wage + SE Ag	5		
Nag Wage + Ag Wage	3				
SE Craftsman + SE Comm	3				
SE Comm + SE Ag	3				
SE Comm + SE Ag + SE Live	3				
SE Craf + SE Comm + SE Ag	3				
SE Ag	2				
Nag Wage + Ag Wage + SE Ag	2				
Total	73		74		76

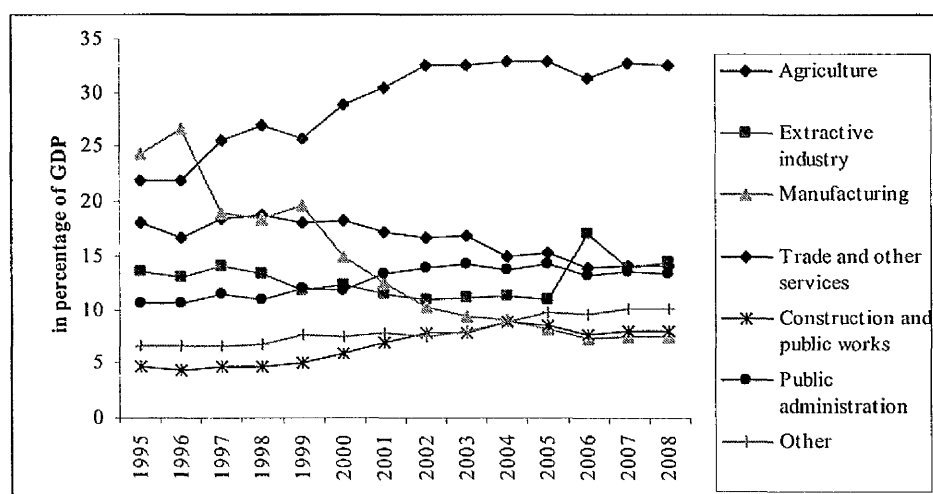
Source: Adapted from GIRM/World Bank (2007).

Table M. Civil Status and Participation in Wage Employment, RLMS

		Self-employment	Wage employment	Both	Total
Married	N	314	50	115	479
	% within civil status	65.6	10.4	24.0	100
Divorced/widowed	N	94	0	2	96
	% within civil status	97.9	0.0	2.1	100
Single/never married	N	75	59	37	171
	% within civil status	43.9	34.5	21.6	100
Total	N	483	109	154	746
	% within civil status	64.7	14.6	20.6	100

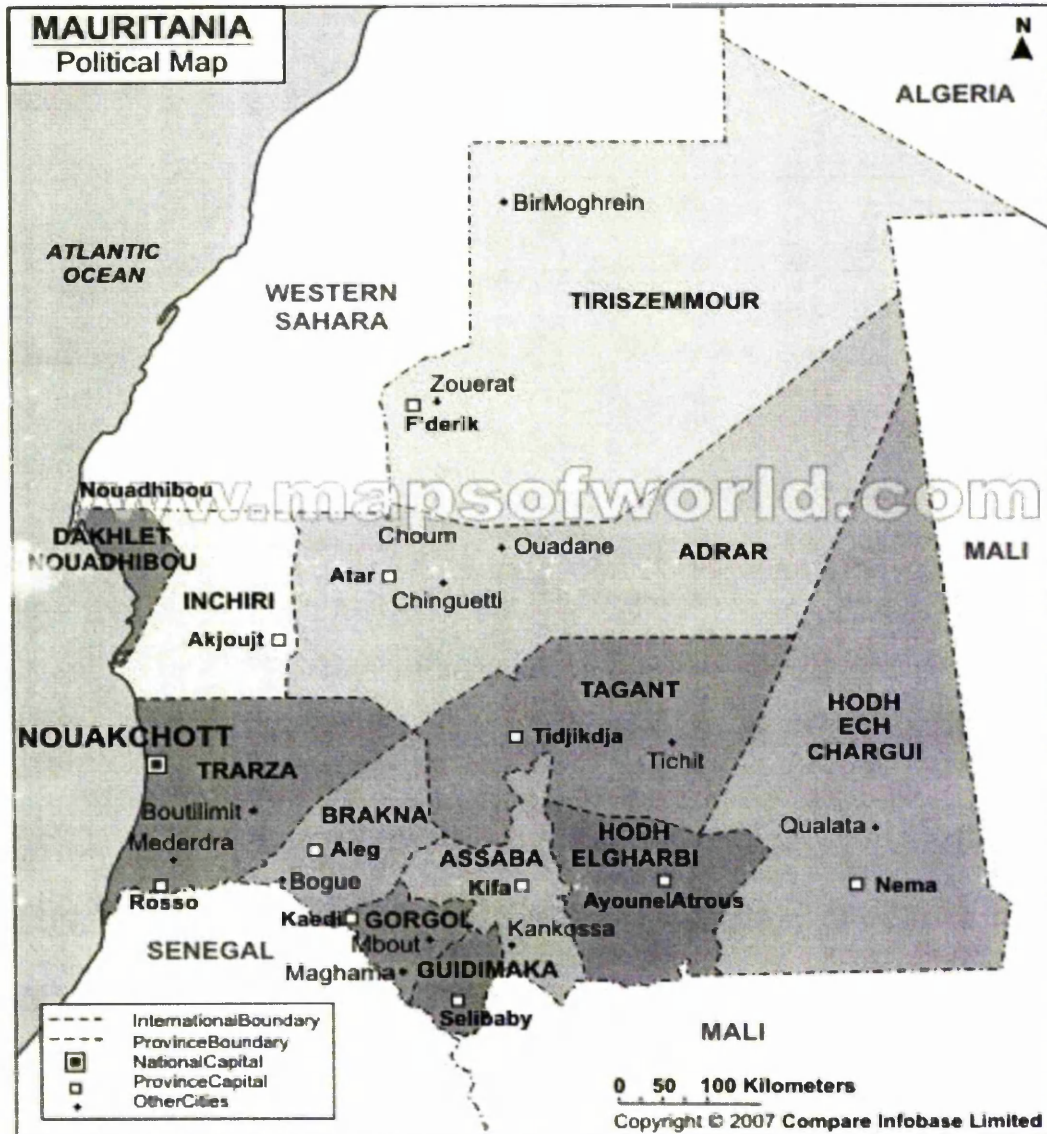
Source: Adapted from GIRM/World Bank (2007).

Table N. Real GDP by Sector, 1995-2008



Source: World Bank (2009).

APPENDIX 3. MAP OF MAURITANIA



REFERENCES

- Alderman, H., and C. H. Paxson, (1992), "Do the Poor Insure? A Synthesis of the Literature on Risk and Consumption in Developing Countries", *World Bank Policy Research Working Paper 1008*, Washington DC: The World Bank.
- Anker, R., (1994), "Measuring Women's Participation in the African Labour Force", in Adepoju, A. and Oppong, C., (eds.), *Gender, Work and Population in Sub-Saharan Africa*, London: James Currey.
- Ashley, C., and S. Maxwell, (2001), "Rethinking Rural Development", *Development Policy Review*, Vol. 19, No. 4, pp. 395-425.
- Appadurai, A., (1989), "Small-scale Techniques and Large-scale Objectives", in Bardhan, P., (eds.), *Conversations between Economists and Anthropologists: Methodological Issues in Measuring Change in Rural India*, Delhi: Oxford University Press.
- Asensio, T. H., and C. H. E. Philpin, (eds., 1985), *The Brenner Debate: Agrarian Class Structure and Economic Development in Pre-Industrial Europe*, Cambridge: Cambridge University Press.
- Auty, R., and N. Pontara, (2008), "A Dual-track Strategy for Managing Mauritania's Projected Oil Rent", *Development Policy Review*, Vol. 26, No.1, pp. 59-77.
- Ba, T. A., and B. Crousse, (1985), "Food Production Systems in the Middle Valley of the Senegal River", *International Social Science Journal*, Vol. 37, pp. 389-400.
- Bardhan, P., (eds., 1989), *Conversations between Economists and Anthropologists: Methodological Issues in Measuring Change in Rural India*, Delhi: Oxford University Press.
- Bardhan, P., and C. Udry, (1999), *Development Microeconomics*, Oxford: Oxford University Press.
- Barnum, H. N., and L. Squire, (1979), "An Econometric Application of the Theory of the Farm Household", *Journal of Development Economics*, Vol. 6, pp. 79-102.
- Barrett, C. B., (1997), "Food Marketing Liberalization and Trader Entry: Evidence from Madagascar", *World Development*, Vol. 25, No. 5, pp. 763-777.

- Barrett, C. B., Reardon, T., and P. Webb, (2001), "Non-farm Income Diversification and Household Livelihood Strategies in Rural Africa: Concepts, Dynamics and Policy Implications", *Food Policy*, Vol. 26, pp. 315 - 331.
- Barrett, C. B., Bezuneh, M., and A. Aboud, (2001a), "Income Diversification, Poverty Traps and Policy Shocks in Cote d'Ivoire and Kenya", *Food Policy*, Vol. 26, pp. 367-384.
- Bebbington, A., (1999), "Capitals and Capabilities: A Framework for Analyzing Peasant Viability, Rural Livelihoods and Poverty", *World Development*, Vol. 27, No. 12, pp. 2021-2044.
- Becker, G. S., (1965), "A Theory of the Allocation of Time", *The Economic Journal*, Vol. 75, No. 299, pp. 493-517.
- Bennoune, M., (1978), "The Political Economy of Mauritania: Imperialism and Class Struggle", *Review of African Political Economy*, Vol. 5, No. 12, pp. 31-52.
- Bernstein, H., and T. J. Byres, (2001), "From Peasant Studies to Agrarian Change", *Journal of Agrarian Change*, Vol. 1, No. 1, pp. 1-56.
- Bernstein, H., (2003), "Land Reform in Southern Africa in World Historical Perspective", *Review of African Political Economy*, Vol. 96, pp. 21-46.
- _____ (2004), "Changing Before our very Eyes: Agrarian Questions and the Politics of Land in Capitalism Today", in Byres, T. J., (eds.), *Redistributive Land Reform Today*, Special Issue of *Journal of Agrarian Change*, Vol. 4, No.1-2, pp. 190-225.
- Berry, R. A., and W. R. Cline, (1979), *Agrarian Structure and Productivity in Developing Countries*, Geneva: ILO.
- Betcherman, G, Olivas, K., and A. Dar, (2004), "Impacts of Active Labour Market Programs: New Evidence from Evaluations with particular Attention to Developing and Transitional Countries", *Social Protection Discussion Paper Series*, No. 0402, Washington DC: The World Bank.
- Bhaduri, A., (1973), "Agricultural Backwardness under Semi-Feudalism", *Economic Journal*, Vol. 83, No. 329, pp. 120-37.

Bharadwaj, K., (1974), *Production Conditions in Indian Agriculture*, London: Cambridge University Press.

_____ (1978), *Classical Political Economy and Rise to Dominance of Supply and Demand Theories*, Calcutta: Orient Longman Co.

_____ (1985), "A View on Commercialisation in Indian Agriculture and the Development of Capitalism", *Journal of Peasant Studies*, Vol. 12, No. 4, pp. 7-25.

_____ (1989), 'The Formation of the Rural Labour Market: An Analysis with Special Reference to Asia, Rural Employment Research Programme, ILO: Geneva.

_____ (1990), "Paradigms in Development Theory: Plea for 'Labour-Ist' Approach", *Economic and Political Weekly*, Vol. 25, No. 4, pp. PE20-PE28.

Bigsten, A., and S. Horton, (1997), *Labour markets in Sub-Saharan Africa*, mimeo, University of Gothenburg and University of Toronto.

Binswanger, H.P. and M. R. Rosenzweig, (1981), *Contractual Arrangements, Employment and Wages in Rural Labour Markets: A Critical Review*, New York: Agricultural Development Council.

Binswanger, H., McIntire, J., and C. Udry, (1991), Production Relations in Semi-Arid African Agriculture, in Bardhan, P., (eds.), *The Economic Theory of Agrarian Institutions*, Oxford: Oxford University Press.

Blaikie P., Wiesner, B., Cannon, T., and I. Davis, (1994), *At Risk: Natural Hazards, People's Vulnerabilities, and Disasters*, London: Routledge.

Block, S., and P. Webb, (2001), "The Dynamics of Livelihood Diversification in Post-Famine Ethiopia", *Food Policy*, Vol. 26, pp. 333-350.

Bonte, P., (2001), *La Montagne de Fer. La SNIM (Mauritanie): Une Entreprise Minière Saharienne à l'Heure de la Mondialisation*, Paris: Karthala.

Booyesen, F., van der Berg, S., Burger, R., von Maltitz, M., and G. du Rand, (2005), "Using an Asset Index to Assess Trends in Poverty in Seven Sub-Saharan African Countries", Paper presented for the International Conference: The Many Dimensions of Poverty, Brasilia: Brazil.

- Breman, J., (1989) "Extension of Scale in Fieldwork: From Village to Region in Southern Gujarat", in Bardhan, P., (eds.), *Conversations between Economists and Anthropologists: Methodological Issues in Measuring Change in Rural India*, Delhi: Oxford University Press.
- _____ (1994), *Wage Hunters and Gatherers: Search for Work in the Urban and Rural Economy of South Gujarat*, Delhi: Oxford University Press.
- Bryceson, D. F., (1996), "Deagrarianization and Rural Employment in Sub-Saharan Africa: a Sectoral Perspective", *World Development*, Vol. 24, No.1, pp. 97-111.
- _____ (1999), "African Rural Labour Income Diversification and Livelihood Approaches, A Long-term Development Perspective", *Review of African Political Economy*, Vol. 80, pp. 171-189.
- _____ (1999a), "Sub-Saharan Africa Betwixt and Between: Rural Livelihoods Practices and Policies", Paper presented for the Conference: Between Town and Country, Livelihoods, Settlement and Identity Formation in Sub-Saharan Africa, Grahamstown: Rhodes University.
- _____ (2000), "Rural Africa at the Crossroads: Livelihood Practices and Policies", *ODI Natural Resource Perspectives Series 52*, London: Overseas Development Institute.
- _____ (2002), "Multiplex Livelihoods in Rural Africa: Recasting the Terms and Conditions of Gainful Employment", *Journal of Modern African Studies*, Vol. 40, No.1, pp.1-28.
- _____ (2002a), "The Scramble in Africa: Reorienting Rural Livelihoods", *World Development*, Vol. 30, No. 5, pp. 725-739.
- _____ (2004), "Agrarian Vista or Vortex? African Rural Livelihoods Policy" *Review of African Political Economy*, Vol. 102, 617-29
- Bryceson, D. F., C. Kay, and J. Mooij, (2000), *Disappearing Peasantries? Rural Labour in Africa, Asia and Latin America*, London: Intermediate Technology Publications.
- Byres, T. J., (1996), "Political Economy, Agrarian Question and Comparative Method", *Economic and Political, Weekly*, Vol. 30, No. 10, pp. 507-513.

- _____ (2006), "Agriculture and Development: Towards a Critique of the New Neo-Classical Development Economics and of Neo-Classical Neo-Populism, in Jomo, K. S., and B. Fine, (eds.), *The New Development Economics: After the Washington Consensus*, London: Zed Books.
- Canagarajah, S., C. Newman, and R. Bhattamishra, (2001), "Non-farm Income, Gender, and Inequality: evidence from Rural Ghana and Uganda", *Food Policy*, Vol. 26, pp. 405-420.
- Caner, A., and E. Wolf, (2004), "Asset Poverty in the United States, 1984-1999", *Challenge*, Vol. 47, No. 1, pp. 5-52.
- Carney, D., (1998), *Sustainable Rural Livelihoods: What Contributions Can We Make?* London: Department for International Development.
- _____ (1999), "Approaches to Sustainable Livelihoods for the Rural Poor", *ODI Poverty Briefing 2*, London: Overseas Development Institute.
- _____ (2001), *Sustainable Livelihood Approaches: Progress and Possibility for Change*, London: Department for International Development.
- Carswell, G., (2002), "Livelihood Diversification: Increasing in Importance or Increasingly Recognized? Evidence from Southern Ethiopia", *Journal of International Development*, Vol. 14, No. 6, pp. 789-804.
- Carter, M. C., and J. May, (1999), "Poverty, Livelihood and Class in Rural South Africa", *World Development*, Vol. 27, No. 1, pp. 1-20.
- Casley, D.J., and D. A. Lury, (1981), *Data Collection in Developing Countries*, Oxford: Clarendon Press.
- Chambers, R., (1983), *Rural Development: Putting the Last First*, Essex: Longman Harlow.
- _____ (1994) Participatory Rural Appraisal (PRA): Analysis and Experience", *World Development*, Vol. 22, No. 9, 1253-1268.
- _____ (1997), *Whose Reality Counts: Putting the First Last*, London: Intermediate Technology Publications.

- Chambers, R., Pacey, A., and L. A. Thrupp, (1989), *Farmer First – Farmer Innovation and Agricultural Research*, London: Intermediate Technology Publications.
- Chambers, R., and G. Conway, (1991), “Sustainable Rural Livelihoods: Practical Concepts for the 21st Century”, *IDS Discussion Paper 296*, Brighton: Institute for Development Studies.
- Chang, H. J., (eds., 1993) *Rethinking Development Economics*, London: Anthem Press.
- Charmes, J., (1992), “La Contribution du Secteur Informel a L'Emploi et au Produit National en Mauritanie 1977-1992”, mimeo, ORSTOM.
- _____ (1994), “L'Economie Mauritanienne au Risque de l'Informatisation”, *Politique Africaine*, Vol. 55, pp.74-77.
- Chayanov, A. V., (1986), *The Theory of Peasant Economy*, Madison: The University of Wisconsin Press.
- Cheung, N. S., (1969), *The Theory of Share Tenancy*, Chicago and London: University of Chicago Press.
- Chiappori, P. A., (1988), “Rational Household Labor Supply” *Econometrica*, Vol. 56, No. 1, pp. 63-90.
- Christiaensen, L. And N. Pontara, (2003, Poor Markets or Markets for the Poor? The Experience with Food Marketing Reform in Sub-Saharan Africa, mimeo, Washington DC.
- Chuta, E. and C. Liedholm, (1990), “Rural small Scale Industry: Empirical Evidence and Policy Issues”, in Eicher, C., and J. M. Steatz, (eds.), *Agricultural Development in the Third World*, Baltimore: Johns Hopkins University Press.
- Collier, P. and A. Hoeffler, (2002), “Greed and Grievance in Civil Wars”, *Centre for the Study of African Economies Working Paper 2002-01*, Oxford: University of Oxford.
- Cramer, C. and N. Pontara, (1999), “Rural Poverty and Poverty Alleviation in Mozambique: What's Missing from the Debate”, *Journal of Modern African Studies*, Vol. 36, No. 1, pp. 101-138.

- Cramer, C., Oya, C., and J. Sender, (2008), "Lifting the Blinkers: a New View of Power, Diversity and Poverty in Mozambican Rural Labour Market", *Journal of Modern African Studies*, Vol. 46, No. 3, pp 361-383.
- Crookes, D., (2003), "The Contribution of Livelihood Activities in the Limpopo Province: Case Study Evidence from Makua and Manganeng" *Development Southern Africa*, Vol. 20, No. 1, pp. 144-159.
- Crousse B., and G. Hesselting, (1994), "Transformations Foncière dans la Vallée du Sénégal", *Politiques Africaines*", Vol. 55, pp. 89-100.
- Datt, G, (1989), Wage and Employment Determination in Agricultural Labour Markets in India, Ph.D. Thesis, Australian National University.
- Datta-Chaudhuri, M., (1990), "Market Failure and Government Failure", *The Journal of Economic Perspectives*, Vol. 4, No. 3. pp. 25-39.
- De Haan, L., and A. Zoomers, (2005), "Exploring the Frontier of Livelihood Research", *Development and Change*, Vol. 36, No.1, pp. 27-47.
- De Janvry, A., (1981), *The Agrarian Question and Reformism in Latin America*, Baltimore: John Hopkins University Press.
- _____ (1994), "Farm Non-farm Synergies in Africa: Discussion", *American Journal of Agricultural Economics*, Vol. 76, No. 5, pp. 1183-1185.
- De Janvry, A. and E. Sadoulet, (2002), "World Poverty and the Role of Agricultural Technology: Direct and Indirect Effects", *The Journal of Development Studies*, Vol. 38, No. 4, pp. 1-26.
- Deere, C. V., and A. de Janvry, (1979), "A Conceptual Framework for the Empirical Analysis of Peasants", *American Journal of Agricultural Economics*, No. 61, Vol. 4, pp. 601-611.
- Deininger, K., (1999), "Making Negotiated Land Reform Work: Initial Experience from Colombia, Brazil and South Africa", *World Development*, Vol. 27, No. 4, pp. 651-672.

- Delgado, C. L., Hopkins, J., and V. A. Kelly, (1998), "Agricultural Growth Linkages in Sub-Saharan Africa", *IFPRI Research Report 107*, Washington DC: International Food Research Institute.
- Dercon, S., and P. Krishnan, (1996), "Income Portfolios in Rural Ethiopia and Tanzania: Choices and Constraints", *Journal of Development Studies*, Vol. 32, No. 6, pp. 850-875.
- Desmarais, A., (2002), "The Vía Campesina: Consolidating an International Peasant and Farm Movement", *The Journal of Peasant Studies*, Vol. 29, No.2, pp 91-124.
- Devereux, S, (2001), "Sen's Entitlement Approach: Critiques and Counter-critiques", *Oxford Development Studies*, Vol. 29, No.3, pp. 245-263.
- _____ (2001a), "Livelihood Insecurity and Social Protection: A Re-emerging Issue in Rural Development", *Development Policy Review*, Vol. 19, No.4, pp. 507-519.
- Devereux, S. and J. Hoddinott, (eds., 1992), *Fieldwork in Developing Countries*, Boulder: Lynn Rienner Publishers.
- Diallo, G., (1993), "Mauritania – The Other Apartheid?" *Current African Issues*, No. 16, pp. 1-57.
- Dixon, J., A. Gulliver, and D. Gibbon, (2001), *Farming Systems and Poverty, Improving Farmers' Livelihood in a Changing World*, Rome: Food and Agriculture Organization.
- Dolan, C., (2002), "Gender and Diverse Livelihoods in Uganda", *Ladder Working Paper 10*, London: Department of International Development.
- Dorward, A., Poole, N., Morrison, J., Kydd, J., and I. Urey, (2003), "Markets, Institutions and Technology: Missing Links in Livelihood Analysis", *Development Policy Review*, Vol. 23, No.3, pp. 319-332.
- Dreze, J., and Mukherjee, A., (1987), "Labour Contracts in Rural India: Theory and Evidence", *Development Research Program Discussion Paper 7*, London: London School of Economics.

- Duncan, A., and Jones, S.P., (1993), "Agricultural Pricing and Marketing Reform: a Review of Experience", *World Development*, Vol. 21, No. 9, pp. 1495-1514.
- Dyer, G., (1997), *Class, State and Agricultural Productivity in Egypt: A Study of the Inverse Relationship between Farm Size and Land Productivity*, London: Frank Cass.
- _____ (2004), "Redistributive Land Reform: No April Rose, the Poverty of Berry and Cline and GKI on the Inverse Relationship", *Journal of Agrarian Change*, Vol. 4, No 1-2, pp. 45-72.
- Ellis, F., (1993), *Peasant Economics: Farm Households and Agrarian Development*, Cambridge: Cambridge University Press.
- _____ (1998), "Household Strategies and Rural Household Diversification", *Journal of Development Studies*, Vol. 35, No. 1, pp.1-38.
- _____ (2000), *Rural Livelihoods and Diversity in Developing Countries*, Oxford: University Press.
- _____ (2000a), "The Determinants of Rural Household Diversification in Developing Countries", *Journal of Agricultural Economics*, Vol. 51, No. 2, pp. 289-302.
- Ellis, F., and S. Biggs, (2001), "Evolving Themes in Rural Development 1950s-2000s", *Development Policy Review*, Vol. 19, No 4, pp. 437-448.
- Ellis F., and G. Bahiigwa, (2003), "Livelihoods and Rural Poverty Reduction in Uganda", *World Development*, Vol. 31, No. 6, pp. 997-1013.
- Ellis, F., and N. Mdoe, (2003), "Livelihood and Rural Poverty Reduction in Tanzania", *World Development* Vol. 31, No. 8, pp. 1367-1384.
- Ellis, F., M. Kutengule, and A. Nyasulu, (2003), "Livelihoods and Rural Poverty Reduction in Malawi", *World Development*, Vol. 31, No.9, pp. 1495-1510.
- Ellis, F., and A. Freeman, (2004), "Rural Livelihoods and Poverty Reduction Strategies in Four African Countries", *The Journal of Development Studies*, Vol. 40, No. 4, pp. 1-30.

- Engerman, S.L. and K. L. Sokoloff, (1997), "Factor Endowments, Institutions, and Differential Paths of Growth among New World Economies", in Haggard, S., (eds.), *How Latin America Fell Behind*, Stamford: Stamford University Press.
- Escobar, J. (2001), "The Determinants of Nonfarm Income Diversification in Rural Peru", *World Development*, Vol. 29, No.3, pp. 497-508.
- Fei, J. C. H., and G. Ranis, (1964), *Development of the Labour Surplus Economy: Theory and Policy*, Homewood III: Richard D. Irwin.
- Ferreira, F., and P. Lanjouw, (2001), "Rural Nonfarm Activities and Poverty in the Brazilian North East", *World Development*, Vol. 29, No.3, pp. 509-528.
- Fields, G. S., (2007), "Labor Market Policy in Developing Countries: A Selective Review of the Literature and Needs for the Future", *Working Paper 83*, Ithaca: Cornell University.
- _____ (2007a), "Labor Market", *Working Paper 20*, Ithaca: Cornell University.
- _____ (2008), "Segmented Labor Market Models in Developing Countries", *ILR Article 162*, Ithaca: Cornell University.
- _____ (2007b) Employment in Low-Income Countries: Beyond Labour Market Segmentation? In Paci, P., and P. Serneels, (eds.), *Employment and Shared Growth: Rethinking the Role of Labor Mobility for Development*, Washington DC: The World Bank.
- Filmer, D., and L. Pritchett, (2001), "Estimating Wealth Effects Without Expenditure Data – or Tears: An Application of Educational Enrolment in States of India", *Demography*, Vol. 38, No. 1, pp. 115-132.
- Fine, B., (1996), *Labour Market Theory: A constructive Assessment*, Routledge Frontiers of Political Economy, London: Routledge.
- _____ (1997), "The New Revolution in Economics", *Capital and Class*, Vol. 61, Spring, pp. 143-148.
- _____ (1997a), "Entitlement Failure?" *Development and Change*, Vol. 28, pp. 617-647.

- _____ (1999), "The Developmental State is Dead – Long Live Social Capital?" *Development and Change*, Vol. 30, pp. 1-19.
- _____ (2002), "Economics Imperialism and the New Development Economics as Kuhnian Paradigm Shift?", *World Development*, Vol. 30, No. 12, pp. 2057-2070.
- _____ (2002a), "It Ain't Social, It Ain't Capital, and It Ain't Africa", *Studia Africana*, No. 13, pp. 18-33.
- Folbre, N., (1986), "Hearts and Spades: Paradigms of Household Economics", *World Development*, Vol. 14, No. 2, pp. 245-255.
- Francis E., (1992), "Qualitative Research: Collecting Life Histories". In Devereux, S. and J. Hoddinott, (eds.), *Fieldwork in Developing Countries*, Boulder: Lynn Rienner Publishers.
- Francis, E., (2002), "Rural Livelihoods, Institutions and Vulnerability in North West Province, South Africa", *Journal of Southern Africa Studies*, Vol. 28, No. 3, pp. 532-549.
- Francis, E., and Colin M., (2002), "Special Issue on Changing Livelihoods: Introduction", *Journal of Southern African Studies*, Vol. 28, No. 3, pp. 1-10.
- Francisco, M., and N. Pontara, (2007), "Does Corruption Impact on Firms' Ability to Conduct Business in Mauritania? Evidence from Investment Climate Survey Data", *World Bank Policy Research Working Paper 4439*, Washington DC: The World Bank.
- Ghose, A. K., (2004), The Employment Challenge in India, *Economic and Political Weekly*, Vol. 39, No. 48, pp. 5106-5116.
- GIRM, (Government of the Islamic Republic of Mauritania), (2000), *National Census*, Nouakchott: National Institute of Statistics.
- _____ (2006), *Poverty Profile*, Nouakchott: National Institute of Statistics.
- _____ (2006a), *Poverty Reduction Strategy Paper II*, Nouakchott: Mauritania.
- _____ (2008) *National Employment Strategy and Action Plan (2008-2012)*, mimeo, Nouakchott: Ministry of Employment, Insertion and Professional Training.

- GIRM and World Bank, (2007), *Etude sur le Marché du Travail en Milieu Rurale*, mimeo, Nouakchott : Commissariat aux Droits de l'Homme, à la Lutte Contre la Pauvreté et à l'Insertion.
- Gladwin, C., Thompson, A., Peterson, J., and A. Anderson, (2001), "Addressing food security in Africa via multiple livelihood strategies of women farmers", *Food Policy*, Vol. 26, No. 2, pp. 177-207.
- Gray, L. C., and Michael K., (2001), "Evolving Tenure Right and Agricultural Intensification in South-western Burkina Faso", *World Development*, Vol. 29, No. 4, pp. 573-587.
- Griffin, K., ([1974] 1979), *The Political Economy of Agrarian Change*, London: Macmillan.
- Griffin, K., Khan, A., and A. Ickowitz, (2002), "Poverty and Distribution of Land", *Journal of Agrarian Change*, Vol. 2, No. 3, pp. 279-330.
- Grimard, F., (2000), "Rural Labour Markets, Household Composition, and Rainfall in Côte d'Ivoire", *Review of Development Economics*, Vol. 4, No. 1, pp. 70-86.
- Grosh, M., and J. Muñoz, (1996), "A Manual for Planning and Implementing the Living Standards Measurement Study Surveys", *LSMS Working Paper 126*, Washington DC: The World Bank.
- Haan, L., and A. Zoomers, (2005), "Exploring the Frontier of Livelihoods Research", *Development and Change*, Vol. 36, No. 1, pp. 27-47.
- Haggblade, S., (2005), "The Rural Non-farm Economy: Pathway Out of Poverty or Pathway In?", mimeo, Washington DC: International Food Policy Research Institute.
- Haggblade, S., P. Hazell, and J. Brown, (1987), "Farm Nonfarm Linkages in Rural Sub-Saharan Africa: Empirical Evidence and Policy Implication", *Agriculture and Rural Development Department Discussion Paper 67*, Washington DC: The World Bank.

- Haggblade, S., P. Hazell., and B. James, (1989), "Farm-Nonfarm Linkages in Rural Sub-Saharan Africa", *World Development*, Vol. 17, No. 8, pp. 1173-1201.
- Harberger, A., (1971), "On Measuring the Social Opportunity Cost of Labour", *International Labour Review* 103 (June).
- Harnet-Sievers, A., (2001), "Slow Death for Slavery in Mauritania", *Journal of African History*, Vol. 42, pp. 340-341.
- Harris, J., and M. Todaro, (1970), "Migration, Unemployment & Development: A Two-Sector Analysis", *American Economic Review*, Vol. 60, No. 1, pp. 126-142.
- Hart, G., (1998), "Regional Linkages in the Era of Liberalization: A Critical of the New Agrarian Optimism", *Development and Change*, Vol. 29, No. 4, pp. 27-54.
- Haug, R., (2000), "Livelihood Security among Pastoralists in Northern Sudan, Post-hunger Development in a Country at War", *NORAGRIC Working Paper 19*, Oslo: Centre for International Environment and Development Studies.
- Hayami, Y., and V. Ruttan, (1971), *Agricultural Development: An International Perspective*, Baltimore: John Hopkins University Press.
- Heyer J., (1992), "Contrasts in Village-Level Fieldwork: Kenya and India", in Devereux, S. and J. Hoddinott, (eds.), *Fieldwork in Developing Countries*, Boulder: Lynn Rienner Publishers.
- Hussein, K., and J. Nelson, (1999), "Sustainable Livelihoods and Diversification", *IDS Working Paper 69*, Brighton: Institute of Development Studies.
- IFAD, (2001), *Rural Poverty Report 2001: The Challenge of Ending Rural Poverty*, Oxford: Oxford University Press.
- ILO (International Labour Office), (2003), *Decent Work in Agriculture*, ILO's Bureau for Workers Activities, Geneva: ILO/
- IMF, (International Monetary Fund), (2007), *Mauritania: Article IV*, Washington DC: The IMF.
- _____ (2008) *Mauritania: Statistical Appendix*, Washington DC: The IMF.

- Jayne, T., Rubey, L., Tschirley, D., Mukumbu, M., Chisvo, M., Santos, A., Weber, M., and P. Diskin, (1995), "Effects of Food Market Reform on Household Access to Food in four Countries in Eastern and Southern Africa", *International Development Paper 19*, East Lansing: Michigan State University.
- Jodha, N. S., (1998), "Poverty in India, A Minority View", *Economic and Political Weekly*, Special Issue No. 23, pp. 2421-8.
- Johnston, B, and J. Mellor, (1961), "The Role of Agriculture in Economic Development", *American Economic Review*, Vol. 51, No. 4, pp. 566-593.
- Johnston, B, and P. Kilby, (1975), *Agriculture and Structural Transformation*, London: Oxford University Press.
- Johnston, D., (1997), *Migration and Poverty in Lesotho: A Case Study of Female Farm Labourers*, Unpublished PhD Dissertation, Department of Economics, London: School of Oriental and African Studies.
- Jones, S., (1995), "Food Market Reform: The Changing Role of the State", *Food Policy*, Vol. 6: 551-560.
- Jones, S., (1998), "Liberalized Food Marketing in Developing Countries: Key Policy Problems", mimeo, Oxford Policy Management Oxford: UK.
- Jourde, C., (2001), "Ethnicity, Democratization, and Political Dramas: Insight into Ethnic Politics in Mauritania", *African Issues*, Vol. 29, No. 12, pp. 26-30.
- Kakwani, N, and H. Son, (2006), *A Note on Measuring Unemployment*, International Poverty Centre, Working Paper 28, New York: United Nations Development Program.
- Kapsos, S., (2007), "World and Regional Trends in Labour Force Participation: Methodologies and Key Results", *Economic and Labour Market Paper 72*, Geneva: International Labour Office.
- Kaufman, B., (2007), "The impossibility of a Perfectly Competitive Labour Market", *Cambridge Journal of Economics*, Vol. 31, No. 5, pp. 775-787.

- Kevane, M., (1994), "Village Labor Markets in Sheikan District, Sudan", *World Development*, Vol. 22, No. 6, pp. 839-857.
- _____ (1996), "Agrarian Structure and Agricultural Practice: Typology and Application to Western Sudan", *Journal of Agricultural Economy*, Vol. 78, pp. 236-245.
- Kinne, L., (2001), "The Benefits of Exile: the Case of FLAM", *Journal of Modern African Studies*, Vol. 39, No. 4, pp. 597-621.
- Koita, T., (1994), "Migrations, Pouvoir Locaux et Enjeux sur l'Espace Urbain", *Politique Africaine*, No. 55, pp. 101-109.
- Kuznets, S., (1955), "Economic Growth and Income Inequality", *American Economic Review*, Vol. 45, pp. 1-28.
- Kydd, J., Dorward, A., Morrison J., and G. Cadisch, (2004), "Agricultural Development and Pro-poor Economic Growth in Sub-Saharan Africa: Potential and Policy", *Oxford Development Studies*, Vol. 32, No. 1, pp. 37-57.
- Kydd, J., and A. Dorward, (2001), "The Washington Consensus on Poor Country Agriculture: Analysis, Prescription and Institutional Gaps", *Development Policy Review*, Vol. 19, No. 4, pp. 467-478.
- Lanjouw, P., and J. Lanjouw, (2001), "The Rural Non-Farm Sector: Issues and Evidence from Developing Countries", *Agricultural Economics*, Vol. 26, No. 1, pp. 1-23.
- Leavy, J., and H. White, (2000), "Rural Labour Markets and Poverty in Sub-Saharan Africa", mimeo, Brighton: Institute of Development Studies.
- Lele, S. M., (1991), "Sustainable Development: A Critical Review", *World Development* Vol. 16, No. 6, pp. 607-621.
- Lewis, W. A., (1954), "Economic Development with Unlimited Supplies of Labour", *The Manchester School*, Vol. 22 No. 2, pp. 139-91.
- Lindauer, D., and A. Velenchik, (2004), "Growth, Poverty and the Labour Market: An Analytical Review of Senegal's 2002 PRSP", mimeo, Washington DC: The World Bank.

- Lipton, M., (1977), *Why Poor People Stay Poor: A Study of Urban Bias in World Development*, London: Temple Smith.
- Lipton, M., and M. Lipton, (1993), "Creating Rural Livelihoods: Some Lessons for South Africa from Experience Elsewhere", *World Development*, Vol.21, No. 9 pp. 1515-1548.
- MacKeigan, K., (2001), "Putting People First: Exploring the Sustainable Livelihood Approach in Waterloo Region", mimeo, Ontario: YWCA of Cambridge.
- Magnoli-Bocchi, A., Pontara, N., Tejada, C., Fall, K., and P. Gallego-Cuervo, (2008), "Reaching the MDGs: Mauritania Should Care", *World Bank Policy Research Working Paper 4674*, Washington DC: The World Bank.
- Maloney, W., (2003), "Are Labor Markets in Developing Countries Dualistic?", *Policy Research Working Paper 1941*, Washington DC: The World Bank.
- Marchesin, P., (1994), "Origine et Evolution des Partis Politiques en Mauritanie", *Politiques Africaines*, Vol. 55, pp. 20-30.
- Marianne, M., (2002), "Mauritania: Political Parties, Neo-patrimonialism and Democracy", *Democratization*, Vol. 9, No. 3, pp. 92-108.
- Marshall, A., (1979), *Principles of Economics*, Eighth Edition, London: Macmillan.
- Maxwell, S., (2005), "The Washington Consensus is Dead! Long Live the Meta-narrative!", *ODI Working paper 243*, London :Overseas Development Institute.
- Mazumdar, D., (1989), "Microeconomic Issues of Labor in Developing Countries: Analysis and Policy Implications", *EDI Seminar Paper 40*, Washington DC: The World Bank.
- McDougall, A., Bhrane, M., and U. Ruf, (2003), "Legacies of Slavery, Promises of Democracy: Mauritanian in the 21st Century", in Smith, M., (eds.) *Globalizing Africa*, Trenton: World Press.
- Mellor, D., (1966), *The Economics of Agricultural Development*, Ithaca: Cornell University Press.

- Moser, C. and G. Kalton, (1971), *Survey Methods in Social Investigation*, Dartmouth: Aldershot.
- Moser, C., (1998), "The Asset Vulnerability Framework: Reassessing Urban Poverty Reduction Strategies", *World Development*, Vol. 26, No. 1, pp. 1-19.
- Mosley, P., (2001), "Attacking Poverty and the Post-Washington Consensus", *Journal of International Development*, Vol. 13, No. 3, pp. 307-313.
- Murray, C., (2000), "Changing Livelihoods: The Free State, 1990s", *Journal of African Studies*, Vol. 59, No. 1, pp. 115-141.
- _____, (2002), "Livelihood Research: Transcending Boundaries of Time and Space", *Journal of Southern African Studies*, Vol. 28, No. 3, pp. 489-509.
- N'Diaye, B., (2006), "Mauritania, August 2005: Justice and Democracy, or Just Another Coup?", *African Affairs*, Vol. 105, No. 20, pp. 421-441.
- N'Diaye, B., and Jourde, C., (2008), "The Parliament in Mauritania's Post-Coup Era: A Research and Analytical Note" mimeo, Washington DC: The World Bank.
- Neuman, W., (2000), *Social Research Methods: Qualitative and Quantitative Approaches*, London: Allyn and Bacon.
- Niasse, M., (2005), "Climate-Induced Water Conflict Risks in West Africa: Recognizing and Coping with Increasing Climate Impacts on Shared Watercourses", IUCN-West Africa Regional Office (IUCN-BRAO), Paper presented for the Conference: Human Security and Climate Change, Norway: Oslo
- Nkurunzika, J., (2007), Generating Rural Employment in Africa to Fight Poverty, in Ocampo, J. A. and K. S. Jomo K. S., (eds), *Towards Full and Decent Employment*, London: Zed Books.
- Niehof, A., (2004), "The Significance of Diversification for Rural Livelihood Systems", *Food Policy*, Vol. 29, pp. 321-338.
- Ocampo, J. A., (2007), Employment and the UN Development Agenda, in Ocampo, J. A. and K. S. Jomo K. S., (eds), *Towards Full and Decent Employment*, London: Zed Books.

- O'Laughlin, B., (1996), "Through a divided glass: Dualism, class and the Agrarian question in Mozambique", *Journal of Peasant Studies*, Vol. 23, No. 4, pp. 1-39.
- _____ (2002), "Proletarianisation, Agency and Changing Rural Livelihoods: Forced Labour and Resistance in Colonial Mozambique", *Journal of Southern African Studies*, Vol. 28, No. 3, pp. 511-530.
- _____ (2004), Rural Livelihoods and Diversity in Developing Countries: Book Review, *Development and Change*, Vol. 35, No. 2, pp. 385-403.
- _____ (2006) "Beyond Efficiency and Equity: Gender, Class and Women's Land Rights in Africa", Paper presented for the Conference: Land, Poverty, Social justice and Development, Brighton: Institute of Social Studies.
- _____ (2007) "A Bigger Piece of a Very Small Pie: Intra-household Resource Allocation and Poverty Reduction in Africa", *Development and Change*, Vol. 38, No. 1, pp. 21-44.
- Olsen, W., (1992), "Random Sampling and Repeat Surveys in South India", in Devereux, S. and J. Hoddinott, (eds.), *Fieldwork in Developing Countries*, Boulder: Lynn Rienner Publishers.
- Öniş, Z., and Şenses, F., (2005), "Rethinking the Emerging Post-Washington Consensus" *Development and Change*, Vol. 36, No. 2, pp. 263-290.
- Orr, A., and B. Mwale, (2001), "Adapting to Adjustment: Smallholder Livelihood Strategies in Southern Malawi", *World Development*, Vol. 29, No. 8, pp. 1325-1343.
- Ould Ahmed Salem, Z., (1999), "La Democratization en Mauritanie: Une Illusion Postcoloniale", *Politique Africaine*, Vol. 75, pp. 131-146
- _____ (2001), "Tcheb-Tchib et Compagnie: Lexique de la Survie et Figures de la Réussite en Mauritanie: Figures de la Réussite et Imaginaires Politiques", *Politique Africaine*, Vol. 82, pp. 78-100.
- _____ (2005), "Mauritania: A Saharan Frontier-state", *The Journal of North African Studies*, Vol. 10, No. 3-4, pp. 491-506.

- Osmani, S. R., (1991), "Wage Determination in Rural Labor Markets: The Theory of Implicit Cooperation", *Journal of Development Studies*, Vol. 34, pp. 3-23.
- Ould Cheikh, A.W., (1994), "Des Voix dans le Désert : Sur les Elections de l'Ere Pluraliste", *Politique Africaine*, Vol. 55, pp. 31-39.
- _____ (2006), "Document de Synthèse sur le Contexte Socio-culturel de la CAS 2006-2010 en vue de l'Atelier du 15-16 mars 2006", mimeo, Nouakchott: The World Bank.
- Oya C., (2002), *Groundnut Production Crisis and Liberalization in Senegal: A Focus on Large-Middle Farmers*, Unpublished PhD Dissertation, Department of Economics, London: School of Oriental and African Studies.
- Oya, C., (2006), "Sampling in Survey Research: Methodological and Practical Issues with a Focus on Rural Areas", mimeo, London: School of Oriental and African Studies.
- Oya, C., and N. Pontara, (2009), "Rural Livelihoods And Village Political Economies: An Appraisal And Evidence From Villages Studies in Mauritania", forthcoming, London: School of Oriental and African Studies.
- Oya, C., and J. Weeks, (2004), "Investment for Poverty Reducing Employment in Africa: Review of Case Studies and an Analytical Framework", CDPR, London: School of Oriental and African Studies.
- Paci, P., and P. Serneels, (eds., 2007), *Employment and Shared Growth: Rethinking the Role of Labor Mobility for Development*, Washington DC: The World Bank.
- Park, T. K., Baro, M., and T. Ngaido, (1991), "Conflicts Over Land and the Crisis of Nationalism in Mauritania", mimeo, Wisconsin: Land Tenure Center.
- Pazzanita, A. G., (1996), "The Origins and Evolution of Mauritania's Second Republic", *The Journal of Modern African Studies*, Vol. 34, No. 4, pp. 575-596.
- Pereira, A. W., (1997), *The End of the Peasantry: The Rural Labour Movement in North-east Brazil, 1961-1988*, Pittsburgh: University of Pittsburgh Press.

- Pincus J., (1996), *Class, Power and Agrarian Change in West Java*, Cambridge: Cambridge University Press.
- Pincus, J., and A. Winters A., (eds., 2002), *Reinventing the World Bank*, New York: Cornell University.
- Platteau, J. P., (1996), "Physical Infrastructure as a Constraint on Agricultural Growth: The Case of Sub-Saharan African", *Oxford Development Studies*, Vol. 24, No. 3, pp. 189-219.
- Ponte, S., (2002), *Farmers and Markets in Tanzania: How Policy Reform Affects Rural Livelihoods in Africa*, Oxford: James Currey.
- ____ (2000), "From Social Negotiation to Contract: Shifting Strategies of Farm Labor Recruitment in Tanzania under Market Liberalization", *World Development*, Vol. 28, No. 6, pp. 1017-1030.
- Rajadel, T., Pontara, N., and M. L Sanchez-Puerta, (2009), The Mauritanian Labour Market through the Lens of the 2004 National Household Survey, World Bank Policy Research Working Paper No. 4954, The World Bank: Washington DC.
- Razavi S., (1992), "Fieldwork in a Familiar Setting: the Role of Politics at the National, Community and Household Levels", Devereux, S. and J. Hoddinott, (eds.), *Fieldwork in Developing Countries*, Boulder: Lynn Rienner Publishers.
- Reardon, T., (1997), "Using Evidence of Household Income Diversification to Inform Study of the Rural Non-Farm Labour Market in Africa", *World Development*. Vol. 25 No. 5, pp. 735-747.
- Reardon, T., Delgado C. and Matlon P., (1992), "Determinants and Effects of Income Diversification among Farm Households of Burkina Faso", *The Journal of Development Studies*, Vol. 28, No. 2, pp. 264-296.
- Reardon, T., and S. Vosti, (1995), "Links Between Rural Poverty and the Environment in Developing Countries: Asset Categories and Investment Poverty", *World Development*, Vol. 23, No. 9, pp. 1495-1506.

- Reardon, T., Taylor, E., Stamoulis, K., Lanjouw, P., and A. Balisacan, (2000), "Effects of Non-Farm Employment on Rural Inequality in Developing Countries: An Investment Perspective", *Journal of Agricultural Economics*, Vol. 51, No. 2, pp. 266-288.
- Reardon, T., Berdegue, J., and G. Escobar, (2001), "Rural Nonfarm Employment and Incomes in Latin America: Overview and Policy Implications", *World Development*, Vol. 29, No. 3, pp. 395-409.
- Rebitzer, J., (1993), Radical Political Economy and the Economics of Labour Markets, *Journal of Economic Literature*, Vol. XXXI, pp. 1394-1434.
- Rigg, J., (2005), "Land, Farming, Livelihoods, and Poverty: Rethinking the Links in the Rural South", *World Development*, Vol. 34, No. 1, pp. 180-202.
- Rosanvallon, A. (2004), "Rapport de Mission, Bureau International du Travail, Programme d'Appui a la Mise en Oeuvre du CLPS-1", mimeo, Nouakchott: Mauritania.
- _____ (2006), "Situation et Bilan de L'Emploi 2000-2005, Bureau International du Travail, Programme d'Appui a la Mise en Oeuvre du CLPS-2", mimeo, Nouakchott: Mauritania.
- Rosenstein-Rodan, P. N., ([1943] 1958), "Problems of Industrialization of Eastern and South-eastern Europe", *Economic Journal*, Vol. 53, pp. 202-11.
- Rosenzweig, M.R., (1984), "Determinants of Wage Rates and Labor Supply Behavior in the Rural Sector of a Developing Country", in Binswanger, H., and M.R. Rozenzweig, (eds.), *Contractual Arrangements, Employment, and Wages in Rural Labor Markets in Asia*, New Haven: Yale University Press.
- Roy, A. D., (1951), Some Thoughts on the Distribution of Earnings", *Oxford Economic Papers* 3 (1951), pp. 135-146.
- Sachs, D. J. and A. Warner, (2001), "The Curse of Natural Resources," *European Economic Review*, Vol. 45, pp. 827-38.
- Sahlins, M., (1973), *Stone Age Economics*, Chicago: Aldine.

- Sahn, D., and D. Stifel, (2003), "Exploring Alternative Measures of Welfare in the Absence of Expenditure Data", *Review of Income and Wealth*, Vol. 49, No. 4, pp. 463-489.
- Saith, A., (1992), *The Rural Non-farm Economy: Processes and Policies*, Geneva: ILO.
- Sala-i-Martin, X., and A. Subramanian, (2003), "Addressing the Natural Resource Curse: An Illustration from Nigeria," *IMF Working Paper 03/130*, Washington DC: The IMF.
- Schmitz, J., (1993), "Anthropologie des Conflits Fonciers et Hydropolitique du Fleuve Sénégal (1975-1991)", *Cahier de Sciences Humaines*, Vol. 29, No. 4, pp. 591-623.
- Schultz, T., (1964), *Transforming Traditional Agriculture*, New Haven: Yale University Press.
- Schumacher, E. F., (1973), *Small is Beautiful: A Study of Economics as if People Mattered*, London: Penguin.
- Scoones, I., (1998), "Sustainable Rural Livelihoods: A Framework for Analysis", *IDS Working Paper 72*, Brighton: Institute of Development Studies.
- Scoones, I., and W. Wolmer, (2003), "Introduction: Livelihoods in Crisis: Challenges for Rural Development in Southern Africa", *IDS Bulletin*, Vol. 34, No. 3, pp. 1-14.
- Scott, F., (1976), *The Moral Economy of the Peasant, Rebellion and Subsistence in South-East Asia*, New Haven: Yale University Press.
- Seddon, D., (1996), "The Political Economy of Mauritania: An Introduction", *Review of African Political Economy*, Vol. 23, No. 68, pp. 197-214.
- Sen, A., (1962), An Aspect of Indian Agriculture, *Economic Weekly* (February) Vol. 14.
- _____(1981), *Poverty and Famines: An Essay on Entitlements and Famines*, Oxford: Clarendon Press.
- _____(1984) *Recourses, Values, and Development*, Cambridge: Harvard University Press.

- Sender J., (1999), "Re-Assessing the Role of the World Bank in Sub-Saharan Africa", in Pincus, J., and A. Winters A., (eds), *Reinventing the World Bank*, New York: Cornell University.
- _____ (1999a), "Africa's Economic Performance: Limitations of the Current Consensus", *The Journal of Economic Perspectives*, Vol. 13, No.3. pp. 89-114.
- _____ (2003), "Rural Poverty and Gender: Analytical Frameworks and Policy Proposals" in Chang, H. J., (eds) *Rethinking Development Economics*, London: Anthem Press.
- Sender, J., and L. Smith, (1990), *Poverty, Class and Gender in Rural Africa: A Tanzanian Case Study*, Routledge: London.
- Sender, J. and D. Johnston, (2004), "Searching for a Weapon of Mass Production in Rural Africa: Unconvincing Arguments for Land Reform", *Journal of Agrarian Change*, Vol. 4, No. 1 and 2, pp. 142-164.
- Sender, J., C. Cramer, and C. Oya, (2005), "Unequal Prospects: Disparities in the Quantity and Quality of Labour Supply in Sub-Saharan Africa", *World Bank Social Protection Discussion Paper 525*, Washington DC: The World Bank.
- _____ (2006) "Women Working for Wages: Putting Flesh on the Bones of a Rural Labour Market Survey in Mozambique", *Journal of Southern African Studies*, Vol. 32, No.2, pp. 313-333.
- Sidiya, M., et al., (1996), "Eléments pour une Stratégie de Développement de l'Emploi Rural en Mauritanie", mimeo, Nouakchott: UNDP.
- Singh, I., Squire, L., and J. Strauss, (eds., 1986), *Agricultural Household Models*, Baltimore: John Hopkins.
- Slater, R., (2002), "Differentiation and Diversification: Changing Livelihoods in Qwaqwa, South Africa, 1970-2000", *Journal of Southern Africa Studies*, Vol. 28, No. 3, pp. 599-614.
- Smith, D., Gordon, A., Meadows, K., and K. Zwick, (2001), "Livelihood Diversification in Uganda: Patterns and Determinants of Change across Two Rural Districts", *Food Policy*, Vol. 26, pp. 421-435.

- Solesbury, W., (2003), "Sustainable Livelihoods: A Case Study of the Evolution of DFID Policy", *ODI Working Paper 217*, London: Overseas Development Institute.
- Standing, G., Sender, J., and J. Weeks, (1996), *Restructuring the Labour Market: The South African Challenge*, Geneva: ILO.
- Start, D., (2001), "The Rise and Fall of the Rural Non-farm Economy: Poverty Impact and Policy Options", *Development Policy Review*, Vol. 19, No.4 pp. 491-505.
- Start, D., and C. Johnson, (2004), "Livelihoods Options? The Political Economy of Access, Opportunity and Diversification", *ODI Working Paper 233*, London: ODI.
- Stiglitz, J. E., (1986), "The New Development Economics", *World Development*, Vol. 14, No. 2, pp. 257-65.
- _____ (1998), "More Instruments and Broader Goals: Moving toward the Post-Washington Consensus", *WIDER Annual Lecture 2*, Helsinki: WIDER.
- _____ (1999), *Rational Peasants, Efficient Institutions, and a Theory of Rural Organization: Economic Theory of Agrarian Institutions*, Oxford: Clarendon Press.
- Swift, J., (1989), "Why are Rural People Vulnerable to Famine?" *IDS Bulletin*, Vol. 20, No. 2, pp. 8-15.
- _____ (1993), "Understanding and Preventing Famine and Famine Mortality", *IDS Bulletin*, Vol. 24, No. 4, pp. 1-16.
- Taine-Cheikh, C., (1994), "La Langue comme Enjeux Identitaire", *Politiques Africaines*, Vol. 55, pp. 57-65.
- Tandia, D., (1994), "Les Ajustements Economiques et Financiers", *Politiques Africaines*, Vol. 55, pp. 66-73.
- Teklu, T., and S. Asefa, (1999), "Who Participates in Labour-Intensive Public Works in Sub-Saharan Africa? Evidence from Rural Botswana and Kenya", *World Development*, Vol. 27, No. 2, pp. 431-438.
- Toner, A., and D. Howlett, (2001), "Goodbye to Projects? The Institutional Impacts of a Livelihood Approach on Development Interventions", *Working Paper Series, Paper 1*, Bradford: Centre for International Development.

- Toner, A., (2003), "Exploring Sustainable Livelihood Approaches in Relations to Two Interventions in Tanzania", *Journal of International Development*, Vol. 15, No. 4, pp. 771-781.
- UNDP, (2007), *Human Development Report*, New York: USA.
- Unni, J., (1989), "Gender and Informality in Labour Market in South Asia", *Economic and Political Weekly*, Vol. 36, No. 26, pp. 2360-2377.
- Von Braun, J., and R. Pandya-Lorch, (1992), "Income Sources and Diversification Strategies of the Malnourished Rural Poor", *Journal of International Agriculture*, Vol. 31, No. 1, pp. 36-54.
- Warner, M.W., Al-Hassan, R. M., and J.G. Kydd, (1997), "Beyond Gender Roles? Conceptualizing the Social and Economic Lives of Rural People in Sub-Saharan Africa", *Development and Change*, Vol.28, No. 4, pp. 143-168.
- Warren, P., (2001), "Distance Survey on Gender Impacts of Commercialization", mimeo, Rome: FAO.
- Weeks, J., (2006), *Employment for Poverty Reduction: Reading Material 6*, United Nations, Department of Economic and Social Affairs, New York: United Nations Development Program.
- Whitehead, A., (2002), "Tracking Livelihood Change: Theoretical, Methodological and Empirical Perspectives from North-East Ghana", *Journal of Southern Africa Studies*, Vol. 28, No. 3, pp 575-598.
- Wiggins, S., (2000), "Interpreting Changes from the 1970s to the 1990s in African Agriculture Through Village Studies", *World Development*, Vol. 28, No. 4, pp. 631-662.
- Williamson, J., (1990), "What Washington Means by Policy Reform", in John Williamson, (eds.), *Latin American Adjustment: How Much Has Happened*, Washington: Institute for International Economics.

- Woldenhanna, T., and A. Oskam, (2001), "Income Diversification and Entry Barriers: Evidence from the Tigray Region of Northern Ethiopia", *Food Policy*, Vol. 26, pp. 351-365.
- Wood, G., (2003), "Staying Secure, Staying Poor: The 'Faustian Bargain', *World Development* Vol. 31, No. 3, pp. 455-471.
- Wood, G., and S. Salway, (2000), "Introduction: Securing Livelihoods in Dhaka Slums". *Journal of International Development*, Vol. 12, pp. 669-688.
- Woolcock, M., Isham, J., and L. Pritchett, L., (2001), "The Social Foundations of Poor Economic Growth in Resource-rich Countries", In: Auty, R.M., (eds.) *Resource Abundance and Economic Development*, Oxford: Oxford University Press.
- World Bank, (2004), *World Development Indicators*, Washington DC: The World Bank.
- World Bank, (2005), *World Development Indicators*, Washington DC: The World Bank.
- World Bank, (2006), "Mauritania, Managing Natural Resources: Challenges and Opportunities; A country Memorandum Update", Report No. 36386-MR, Washington DC: The World Bank.
- World Bank, (2007), "Sénégal, a la Recherche de l' Emploi: Le Chemin vers la Prospérité", *Country Economic Memorandum*, Report No. 36750-SN, Washington DC: The World Bank.
- World Bank, (2008), *World Development Report*, Washington DC: The World Bank.
- World Bank, (2009), "Creating and Enabling Environment to promote the Diversification of the Economy; a *Country Economic Memorandum*", Report No.48566-MR, Washington DC: The World Bank.
- World Bank, (2009a), *World Development Indicators*, Washington DC: The World Bank.
- Yaro, J. A., (2006), "Is De-agrarianisation Real? A Study of Livelihood Activities in Rural Northern Ghana", *Journal of Modern African Studies*, Vol. 44, No. 1, pp. 125-156.

L

RY